2年6月11日第三種郵便物認可　昭和27年8月8日国鉄特別扱承認雑誌第2385号　毎月1日発行　昭和31年6月1日発行

The ORIENTAL ECONOMIST

ESTABLISHED 1934

OL. XXIV　JUNE, 1956　No. 548

Bigger Farm Income

Equipment Investments

Trade with Communist China

Japan-Soviet Fisheries Accord

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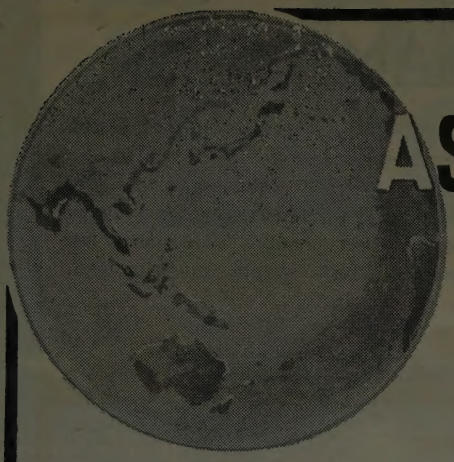

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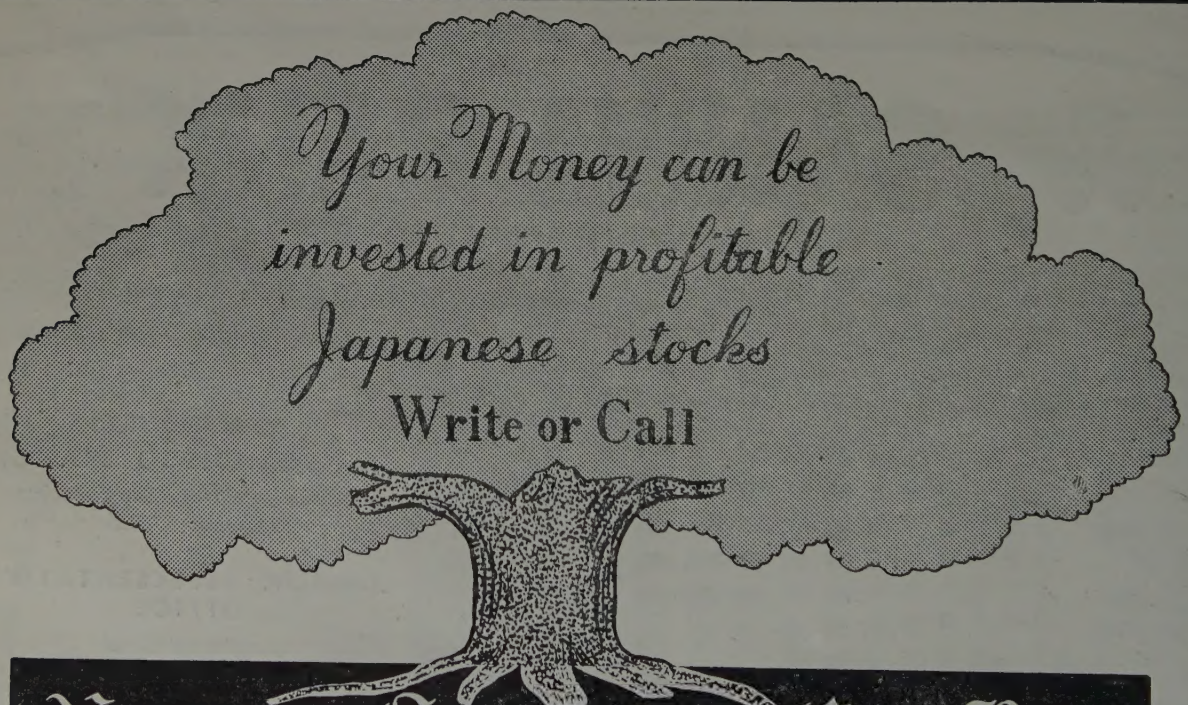

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The ORIENTAL ECONOMIST

VOL. XXIV JUNE, 1956 No. 548

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Single copies ¥180; Annual subscription ¥2,100; Overseas ¥2,300.

Published monthly by The Oriental Economist, Nihombashi, Tokyo, Japan.

Review of the Month

MARKING an overture to an early resumption of full-fledged peace talks between Tokyo and Moscow, the Japanese-Soviet fisheries treaty (together with accessory documents) and a sea rescue agreement were signed in Moscow on May 15 between Agriculture-Forestry Minister Ichiro Kohno representing the Japanese Government and Minister of Fisheries-Industry A.I. Ishkov representing the Kremlin.

JAPAN-SOVIET FISHERIES ACCORD

The treaty consists of the preamble and eight articles. In the preamble and Articles 1 and 2, Japan and the Soviet Union agree to jointly cooperate for the maintenance of the maximum perpetuity and highest productivity of fishing operations and the conservation of marine resources in the Northwestern Pacific waters including the Japan Sea, the Okhotsk Sea and the Bering Sea. To that end, the two signatories agree to jointly establish the Northwestern Pacific Japan-Soviet Fisheries Committee composed of three members each from both sides to be appointed by the respective Governments, as provided for in Article 3. The said committee will be assigned to study joint measures to be put in force and, if necessary, to revise the annex to the present treaty on the basis of scientific findings, or to decide on the amount of annual hauls for the species of fish designated in the annex. The signatories also agree, in Article 5, to the exchange of men with knowledge and experience in fishing. Article 6 provides that the Government of each signatory country will issue licenses or certificates to be carried by fishing-boats operating in the designated waters while Article 7 authorizes an accredited government official of either country to inspect and search the premises of a fishing vessel when he has sufficient reason to believe that the vessel in question is in the act of violating the stipulations of the present treaty. In Article 8, it is provided that the fisheries treaty shall become effective on the date the Japan-Soviet Peace Treaty goes into effect or on the date diplomatic relations are resumed by the two nations.

The annex provides for the kinds of fish to be subject to restrictions under the present treaty, the area of waters where restrictions on fish hauls will be applied and the amount of fish catch by each fishing boat. Under the provisions of the annex, restrictions will be applied to herring and crabs in addition to salmon, and fishing of small herring (measuring less than 20 centimeters in length), small crabs (measuring less than 13 centimeters in width across their breast) and female crabs is banned without special permission by the Committee. While the total volume of annual hauls is subject to the decision of the Committee, the annual catch per vessel is fixed at 300 metric tons to each fishing vessel in fleet fishing and 150 metric tons to a survey ship. The area to be subjected to restrictive fishing operations will be determined within the area falling under the present treaty while the fishing season for each year is due to end in August. The annex also provides for the length and the mesh of the fishing net.

The sea rescue agreement, consisting of seven articles, provides for Japanese and Soviet cooperation for effective and timely rescue of shipwrecked persons in the waters covered by the fisheries agreement and is bound to go into effect simultaneously on the same date as the fisheries treaty. Meanwhile, provisional arrangements on the salmon fishing for the current year were made verbally to the complete absence of any documentary exchanges. Hence, nothing in detail has been known to anyone except those who participated directly in the talks concerned. Competent circles, however, understand that the said provisional measures permit of the total hauls of 65,000 tons of salmon (32,500,000 fish) within the restricted area declared by the Soviet Union on March 21 by fishing boats carrying the licenses issued by the Japanese Government and endorsed by the Soviet Government. Both the fisheries pact and the sea rescue agreement are closely linked with the problem of diplomatic resumption between Japan and the Soviet Union as clarified in the joint Kohno-Ishkov communique in which the two Governments have agreed on the necessity of reopening formal negotiations for the restoration of normal diplomatic relations between the two nations before July 31 this year at the latest. As far as the latter understanding goes, Japan apparently has time enough to decide on its policy before the start of the fishing season next year. The delicate point, however, is that the provisional arrangements on the salmon fishing for the current year were made only as a verbal promise without the endorsement by any written documents. Hence, there is every chance that the problem of diplomatic resumption will enter into any future exchanges pertaining to this year's fishing. In the absence of documentary supports, strength usually is apt to speak louder. Japan-Soviet diplomatic talks, started in London in June, last year, were deadlocked over the territorial issue and entered an indefinite recess on March 20, this year. And the Soviets were apparently wise enough to decoy the Japanese into resuming diplomatic talks by using the fisheries problem as a timely bait. The restoration of diplomatic relations is quite as welcome on equal and reasonable terms as restrictions on the high seas by mutual concessions are acceptable. The Moscow initiative, however, appears somewhat different. Many Japanese are highly critical of the new Soviet approach for diplomatic resumption in compensation for the alleviation of fishing restrictions which the Kremlin arbitrarily and unilaterally declared in entire disregard of the freedom of high seas.

HIGH SEAS AND JAPANESE FISHERIES

More coastal countries have begun to advocate the necessity of new restrictions on the freedom of high seas under the pretext of conserving marine resources after World War II. Japan, boasting of the largest hauls in the world, naturally has been forced to bear the sharpest brunt of such new transitions. Hence, Japan has already concluded several fisheries treaties as conciliatory measures with the countries concerned, such as the tripartite fisheries treaty between Japan, the United States and Canada and the Japan-Communist China fisheries agreement. Japan has also joined the international whaling agreement and the fur seal agreement. The last addition to the list of fisheries pacts is the Japan-Soviet fisheries treaty which is due to take effect simultaneously with the restoration of diplomatic relations between Tokyo and Moscow. If the joint fisheries committee to be created under the provisions of the latest pact is fairly and rationally managed on the basis of scientific findings, therefore, the outlook of Japanese fishing operations in the Northern Pacific waters is likely to become bright. With difficult sledging in store for Tokyo-Moscow talks over the political issues to be resumed soon, however, the new fisheries pact should still be classified as outstanding. Also bound for future settlement are the so-called Rhee Line which South Korea established in spacious high seas surrounding the peninsula and the Australian restraint on the pearl-oyster gathering in the Arafura sea.

The "Rhee Line" was unilaterally declared by the South Korean Government in the middle of high seas in January 1952. Within this arbitrarily-declared zone, some 209 Japanese vessels manned by 2,724 fishers were illegally seized by the end of 1955, of which 110 boats with 647 men have still remained unreturned. In the interim, two Japanese fishermen were shot dead. There exist in the "Rhee Line" extensive fishing grounds for mackerels and horse-mackerels, the richest in Japan's neighboring waters, in which nearly 2,500 fishing boats with 40,000 fishermen used to operate for annual hauls of 225,000,000 kg valued at ¥13,000 million. The Arafura sea, the largest producing centre of pearl-oyster accounting for nearly 90 percent of the world's output, came into the limelight before the war through the exploitation by Japanese fishermen. At the proposal of the Australian Government, Japan-Australian fishery negotiations took place in April, 1953, but the talks proved abortive in September over the restricted quota. The Canberra Government retaliated by declaring control over subterranean and surface resources of the continental shelf. The Japanese Government lodged a protest and the dispute has been placed before the International Court of Justice for the final verdict. Pending the final outcome, the number of Japanese fishing boats operable in the Arafura sea has been restricted to 25. Thus, the pearl-oysters collected by Japanese fishers there in 1955 amounted to only 752 tons, about 20 per cent of the prewar peak in 1937.

Japanese salmon-trout fishing operations in the Northwestern Pacific waters after the war, resumed in 1952, have developed at a rapid tempo and the hauls in 1955 totalled 83,000,000 fish, which, nevertheless, were less than a half of the prewar high in 1935 when the catches reached 220,000,000. The

1955 salmon-trout catch corresponds to 3.6 percent in quantity of the total hauls by surface fishing operations (exclusive of whaling) but accounts for 7.6% in value (¥11,400 million). From the 1956 operations, Japanese fishing industrialists planned to land some 110,000,000 fish (30 percent larger than the 1955 hauls) worth ¥20,000 million. The restrictive measures taken by the Soviets on the eve of the departure of Japanese fishing fleets on the 1956 expedition, therefore, came as a staggering blow to the fishing industry.

Equally restrictive to fishing operations on high seas are atomic or hydrogen bomb tests. A spacious area extending over 370,000 square nautical miles in the Bikini waters in the vicinity of the Marshal Islands has been designated as a dangerous zone from April 20 to August 31 for U.S. H-bomb experiments. The steady diminution of the sphere of Japanese fishing operations, hence, is a vital problem demanding a serious scrutiny by the Japanese people depending largely on aquatic resources. It goes without saying that the principles of international law require any restrictive measures on high seas to be decided by mutual negotiations by the countries concerned. It is highly regretful, nevertheless, that some countries are apt to try to constrain the freedom of the high seas by force. To handle such deplorable and unjustifiable measures, we urge and expect the United Nations to give its fair and conscientious initiative.

JAPAN-PHILIPPINE REPARATIONS PACT

CULMINATING a series of laborious negotiations which at times threatened an irreparable rupture in the past four odd years, the Japan-Philippine Reparations Agreement was signed at last in Manila on May 9. The agreement provides for the $550 million (¥198,000 million) reparations, payable by Japan to the Philippines. The agreement is accompanied by the Note on Loans amounting to $250 million which Japan will extend to the Philippines for the latter's economic development.

The reparations are payable within the period of 20 years at an annual average of $25,000,000 during the 10-year period from the date of coming into force of the Agreement and at an annual average of $30,000,000 during the succeeding 10-year period. The $550 million reparations are divided into $500,000,000 in products and $50,000,000 in services comprising $20,000,000 in processing services and $30,000,000 in services other than processing. In the payment of reparations, either in the form of products or services, the computation of the amount will be made by determining the equivalent value in terms of United States dollars of the yen payment at the time the reparations contracts are concluded by the Philippine Reparations Mission with Japanese nationals or juridical persons with the Japanese Government responsible for payment. In the Note on Loans for the economic development of the Philippines, the target of loans is placed at $250,000,000 to be accommodated in the form of machinery, equipment and accessory services over the period of 20 years. Loans provided for in this Note will be private loans with the terms of loans to be arranged by the contracting parties concerned. On the other hand, the two signatory Governments agree to take steps to facilitate and accelerate the flow of such loans, although the Japanese Government is not held responsible in case such loans fail to reach the scheduled target. The detailed program for the implementation of the Reparations Agreement is required to be completed within the period of sixty days after coming into force of the Agreement.

The reparations program for Burma has already embarked upon the stage of enforcement at the close of 1955 and the similar plan for Indonesia is to follow suit. Reparations Japan is equitably obliged to pay must be paid just as speedily and willingly as possible. For some years to come, they may prove a big burden on the people of Japan. In the long run, however, they will come to serve as a stepping-stone for the expansion of markets for Japanese products in Southeast Asia. Let us try to pay our reparations in a way really contributive to a new prosperity for Southeast Asian countries and let us share in their happiness.

EQUIPMENT INVESTMENTS

THE recent expansion of equipment investments is extremely swift and energetic, giving rise to various pros and cons over the problem of possible over-investments. The volume of actual investment spending in fiscal 1955 was 29 percent larger than 1954, but the scale of 1956 equipment investments appears far more extensive.

Under the equipment investment program for fiscal 1956 announced by the Ministry of International Trade and Industry, the total amount of equipment investments expected in the current fiscal year (exclusive of shipbuilding, rolling-stock and foodstuff industries) stands at ¥470,000 million, a new postwar peak and 31 percent larger than fiscal 1955. The largest amount of equipment funds in the program is earmarked for electric power which takes 40.9 percent of the total by registering a heavy 18.9 percent (¥30,600 million) gain over the preceding fiscal year. Chemicals, ranking second, is due to receive ¥54,000 million or an increase of ¥26,200 million (94.3 percent) over fiscal 1955. The allotment to textiles is placed at ¥51,200 million (the third largest), but the hike reaches only 17.2 percent worth ¥4,500 million. The equally heavy gain over the preceding year is marked by the fourth-ranking iron-steel which gets 117.2 percent (¥21,700 million) more this year.

The Ministry of International Trade and Industry attributes the increment of equipment investments in fiscal 1956 to six new developments: 1) Greater stability of corporate accounts due to the increase in corporate profits; 2) The encouraging business outlook; 3) The slip of money rates; 4) The failure of the current equipment capacity to catch up with sharply increasing demands (particularly in key industries like mining, iron-steel, machinery, chemical fibres, building materials, power and gas); 5) More extensive industrialization of newly-rising industries such as petrochemistry, synthetic fibres and pulp; and 6) The more pressing need of equipment rationalization to stiffen the competitive power in overseas markets in industries such as iron-steel and machinery.

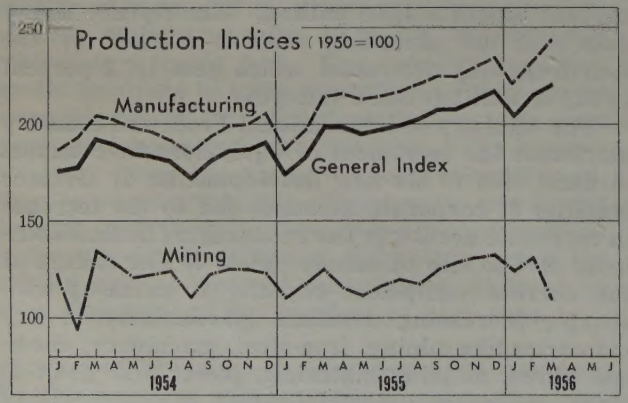
Business Indicators

Production:—Production continued to maintain a high pitch into March with the average index for the month up 2.7 percent over February. The list of March gainers was led by printing-bookbinding with the hike of 12.7 percent, followed by ceramics which increased 9.0 percent. Other gainers were metals up 7.1 percent, machinery up 6.0 percent, chemicals up 4.4 percent and rubber-leather up 6.0 percent. The March index was also a gain of 10.2 percent as compared with a year ago. During the one year under review, machinery advanced most sharply by 32.6 percent with ceramics coming next by hiking 21.2 percent. Foodstuffs were up 16.5 percent while rubber-leather, chemicals, textiles and metals also registered increases well reaching 10.0 percent. Mining, on the other hand, was the lone loser by receding 13.0 percent in the interim principally because of the wholesale drop of copper and other non-ferrous metals and the prolonged strikes at coal mines. The overall production index must have registered a more noteworthy gain without the poor showing of the mining group.

1. MARCH PRODUCTION INDICES
(1934-36 average=100)

	Feb., 1956	March 1956	Against Feb., 1956	Against March, 1955
Mining-Manufacturing	190.9	196.0	102.7	110.2
Mining	126.8	105.7	83.4	87.1
Manufacturing	199.8	208.2	104.2	112.2
Foodstuffs	198.9	199.3	100.2	116.5
Textiles	90.7	90.0	99.2	108.7
Printing, Bookbinding	121.7	137.1	112.7	97.0
Chemicals	331.9	346.6	104.4	109.2
Rubber, Leathers	188.5	195.1	103.5	110.1
Lumber & Wood Products	191.0	191.0	100.0	100.7
Ceramics	191.5	208.8	109.0	121.2
Metals	234.6	251.2	107.1	108.5
Machinery	284.6	301.8	106.0	132.6

Source: Economic Planning Board.



Consumer Demand:—Lively exports and active domestic consumption continued to contribute towards the energetic march of production. For instance, Japanese exports for the month of April reached $210,000,000, a new postwar high. Particularly buoyant were the shipments of textile goods. Fair exports have begun to spur equipment investments which were semichronically dull for some time. Hence, orders for machinery have sharply increased. According to the Economic Planning Board, the February-end backlog of orders for machinery totalled ¥330,000,000,000, more than double the corresponding figure a year ago. Domestic consumer demands also continued to fare well. The Ministry of International Trade and Industry reported sales of department stores in February recorded a notable increase of 20.4 percent over a year ago and March sales (as estimated by the Japan Department Store Association) also gained by 12.1 percent.

The latest advance of consumer demands appears well stabilized in view of the noteworthy improvement of the balance of the household budget. The average balance of the household budget in the urban area was 4.9 percent in the black in the January-February period in 1955, and this figure rose to 6.4 percent in the like period this year. Similarly fair was the income of the farming area which increased by nearly 50.0 percent in 1955 over 1954. The average balance of the farmer's household budget in January this year ran into the red due to seasonal deterrents, but the size of the deficit was some 20.0 percent smaller than a year ago, indicating the fact that farmers have become steadily as better off as white-collar workers.

2. DEPARTMENT STORE SALES

	1953—54		1954—55	
	¥100 million	Indices (A year ago as 100)	¥100 million	Indices (A year ago as 100)
August	142.4	102.7	138.7	108.1
September	111.3	99.4	124.5	111.9
October	173.0	113.0	173.7	100.4
November	173.8	97.9	195.3	112.4
December	367.6	106.8	410.2	111.6
January	128.3	104.8	145.8	113.6
February	120.7	95.1	145.3	120.4

Source: Compiled by *The Oriental Economist* from MITI figures.

Inventories:—With the increasing pace of consumer demand well matched against the rising tempo of production, inventories in the hands of manufacturers have continued declining with the March-end balance (mining and manufacturing inclusive) 4.9 percent smaller than at the close of February and 9.1 percent slimmer than a year ago. During the period from March, 1955 to February, this year, mining registered the sharpest drop of 62.5 percent, as production, markedly down in this period, was unable to catch up with consumption. Also down during the period were ceramics (14.7%), textiles (13.3%), non-ferrous metals (9.3%), ma-

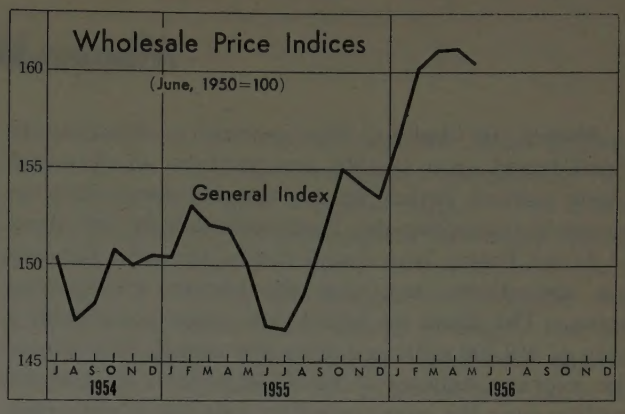
chinery (8.5%) and iron-steel (7.0%). The gradual dwindling of inventories in the groups well up in production (such as machinery, textiles, iron-steel and non-ferrous metals) was due primarily to active exports. Machinery also owed much to the recent activation of equipment investments. Inventories of raw materials, however, have been on the increase due to smooth imports with the March-end balance 9.8% larger than a year ago and 4.0% fatter than the monthly average of 1955. Assuming that imports will continue without a hitch, there will be no fear of the rising pitch of production being crippled by the shortage of raw materials.

3. INDICES OF MANUFACTURERS' INVENTORIES
(1950 average=100)

	Feb., 1956	March, 1956	Against Feb., 1955	Against March, 1955
Mining-Manufacturing	133.1	126.6	95.1	90.9
Mining	71.6	40.6	56.7	37.5
Manufacturing	140.9	137.5	97.6	96.0
Iron & Steel	162.4	158.7	97.7	93.0
Non-ferrous Metals	67.1	63.7	94.9	90.7
Machinery	160.8	148.9	92.6	91.5
Textiles	104.2	104.5	100.3	86.7
Paper, Pulp	311.4	309.1	99.3	138.5
Chemicals	228.3	216.4	94.8	106.6
Petroleum, Coal Products	166.2	166.3	100.1	115.0
Ceramics	129.3	127.6	98.7	85.3
Rubber Goods	194.8	202.5	104.0	139.6
Hides, Leathers	192.5	96.1	93.8	110.6
Others	72.2	72.4	100.3	80.9

Source: Ministry of International Trade & Industry.

Wholesale Prices:—Wholesale prices, stiff since the start of the year, rose by about 6.0% during the first three months to return to the level as of February, 1954 directly before the adoption of the deflationist policy. From early April, however, the prices began to soften under the impact of the overall drop of foodstuffs, particularly perishables, and the standstill of iron-steel and non-ferrous metals which continued soaring until late March. The average index of wholesale prices as of May, however, was still 6.0% higher than a year ago. On the list of gainers during the one year period, metals by far predominated with a gain of 28.3%, followed by textiles with 8.6%. Also up were chemicals, fuel and other items. The total average exclusive of food items rose 9.2% while capital goods alone advanced by 9.7%. Brisk exports and lively consumer demands at home which combined to dwarf inventories comfortably were the two major boosters. Typical of the groups spurred by the two stimulants were metals and textiles. Iron-steel (particularly steel plates) and non-ferrous metals (especially copper items) advanced sharply as inventories hit the bottom due to active exports and increasing domestic consumption centered on a new shipbuilding boom. The unexpected strength of exports and a steady gain of domestic demand served to force inventories of textile products to taper. The maintenance of the production curtailment into April and May also came as a strong



support to the price hike of textile items, although MITI's announcement for the total abolition of production cut as from July weakened the price climb somewhat from mid-May.

4. WHOLESALE PRICE INDICES
(June, 1950=100)

	May, 1955	Dec., 1955	April, 1956	May, 1956	Against May, 1955
Total Average	150.1	153.5	161.2	160.5	104.6
Foodstuffs	146.9	143.9	151.2	146.0	99.4
Textiles	90.5	89.0	94.3	98.3	108.6
Fuels	157.5	160.4	161.0	161.4	102.5
Metals	213.8	244.6	275.7	274.2	128.3
Machinery	181.1	175.2	182.9	183.2	101.2
Building Materials	209.7	206.7	210.5	211.7	101.0
Chemicals	101.7	104.0	105.5	105.7	103.9
Sundries	135.0	140.0	135.8	134.4	99.6
Consumer Goods	139.3	138.8	143.8	140.9	101.1
Producer Goods	156.0	161.5	170.6	171.1	109.7
Total Average minus Foodstuffs	151.1	161.5	164.3	165.0	109.2

Note: As of mid-month.
Source: Economic Planning Board.

Retail Prices:—Reflective of the strong pace of wholesale prices, retail prices also tended slightly upward with the April index (in Tokyo) up by 0.1% over March's. During April, clothing materials and light-fuel items slipped but the loss was more than sufficiently counterbalanced by a gain of foodstuffs. The April average index, however, was still 2.7% below the corresponding mark a year ago due principally io the noteworthy retreat of foodstuffs and clothing items which were down 5.1% and 3.4%, respectively, from a year ago. Thus, a notable time lag has been marking the hike of retail prices as compared with that of wholesale prices. Retail prices, nevertheless, are certain to continue stiff for some time to come with rent and public utilities charges bound to rise. The cost of living is also due to move in unison.

5. TOKYO RETAIL PRICE INDICES
(July, 1914=1)

	April, 1955 (C)	March, 1956 (A)	April, 1956 (B)	B/A	B/C
Average	503.1	488.8	489.5	100.1	97.3
Foodstuffs	634.3	600.1	601.7	100.3	94.9
Light-fuel	597.7	608.2	604.1	99.3	101.1
Clothing items	327.1	319.6	316.0	98.9	86.6
Others	423.2	426.2	429.1	100.7	101.7

Source: Bank of Japan.

Money and Banking

Money in April:—The monetary situation in April based on a sizable overpayment of financial funds moved rather calmly despite some developments surrounding the reorganization of the Bank of Japan Policy Board and a new formula for selling operations involving short-term government notes. The Bank of Japan note issue registered a gain of ¥9,900 million during the month to register the average balance of ¥544,700 million, up ¥29,000 million over the corresponding balance a year ago. This increase, however, is generally considered as a normal growth devoid of any inflationary threat in view of the expansion of the scale of national economy during the past year. The ¥9,900 million hike of the note issue was principally due to a huge excess of financial fund payments which was not properly counterbalanced by the diminution of the note issue through the collection of loans by the Bank of Japan and the sales of short-term government notes. During the month under review, the Treasury-to-public balance totalled ¥55,800 million, but this total was still some ¥14,000 million smaller than the original estimate as April, marking the start of a new fiscal year would usually register a huge payment excess. Loans by the Bank of Japan shrank by ¥8,900 million during April to the month-end balance of ¥18,400 million, of which the sum of ¥16,000 million were the lendings against foreign exchange. Hence, the balance, mainly comprising the "leftovers" due to the extremely low interest rate given by priority to trade bills, was not indicative of the shortage of funds in city quarters. With Bank of Japan loans dwarfed to the meagre total, idle funds were naturally bound for the purchase of short-term government notes or the call market. Thus, the outstanding balance of short-term government notes in city quarters, which had dipped to ¥5,600 million by the close of March, increased sharply by ¥35,700 million during April to the moth-end total of ¥41,-300 million with the mid-month (April 19) peak registering ¥79,900 million. Funds at call correspondingly increased with the balance at the Tokyo call market maintaining the ¥80,000 million mark throughout the month. The call rate (unconditional) also stood soft at around 1.3–1.4 sen per diem.

The accounts of all banks moved negatively in April with deposits slipping ¥45,400 million and loans dropping ¥18,600 million during the month apparently in reaction to the sharp expansion at the end of March which marked the close of the 1955 fiscal year. Nevertheless, the net deposits (exclusive of cheques and foreign currency deposits) registered a normal gain of ¥26,300 million under the support of the payment excess of financial funds. Thus, idle funds at the disposal of city banks were further replenished.

1. MONEY IN APRIL

(In ¥100 million)

Note Issue (End of March)	5,748
Note Issue (End of April)	5,847
Increase	99
Financial Fund Movement (1)	* 558
Bank of Japan Account (2)	** 459
Loans	** 89
Govt. bonds	** 384
Deposits (private)	* 22
Others	** 8
(1)—(2)	* 99

*Increase: **Decrease.
Source: Compiled by The Oriental Economist.

New Selling Operations:—Against the background of the easy money situation, the Ministry of Finance and the Bank of Japan came to final agreement on the terms of selling operations of short-term government notes. The new terms demand the marketing of short-term government note to subscription by city banks with the interest rate reduced to 1.45 sen per diem from 1.50 sen. In the past practice, the Bank of Japan accepted all short-term government notes first and sold them to monetary institutions whenever funds grew overabundant in city quarters. Under the new formula, such government notes are directly marketed for subscription by city circles with the Bank of Japan simply required to take over the portion left unsubscribed in the city. Restrictions on the free transfer of short-term government notes were removed.

The revision of the formula for government note selling operations was highly significant at least in two respects. First, the revision opened the way for directly marketing short-term government bonds in the city to the exit of the medium of the Bank of Japan. The past practice entrusting the Bank of Japan with the task of accepting such notes first was undeniably abnormal as the funds to be raised through the sales of the notes were sought directly from the money market. Second, the removal of restrictions on the free transfer of short-term government notes is a step forward towards the realization of the market for short-term securities as a new accelerator for the smoother movement of funds.

Money Rate Dip:—The April revision of the issue terms of corporate debentures and banking bonds (involving lower interest yields) and the latest revision of the marketing formula of short-term government notes were realized through the strong backing of the Ministry of Finance. Indications are that the money rates are bound to slip further under the impact of the continued slackness of the money market.

2. RETREAT OF MONEY RATES (%)

	May, 1955 (A)	May, 1956 (B)	(A)–(B)
Debentures:			
Issuer's yield	11.07	8.50	2.57
Subscriber's yield	8.93	7.63	1.30
Long-term loans:*	11.31	9.12	2.19
Dividend for loan trust:**	8.80	6.60	2.20
Call rate:***	8.03	5.47	2.56

*Industrial Bank and Long-Term Credit Bank for power enterprises: **two-year term: ***Unconditional.
Source: *The Oriental Economist.*

Stock Market

Another Lull:—Share quotations remained comparatively quiet from late April into May as evening-up operations were resumed. The Dow-Jones average of the 225 pivotals rose to a new high of ¥487.35 on April 20 but began to weaken later to register ¥476.03 towards the end of the month. The average rallied to ¥482.35 on May 4 but again dipped to ¥473.34 on May 12. Thus, the market remained comparatively hesitant from early May with the average daily volume of turnovers in the first 12 days of May standing at 22,481,000 shares as compared with the daily average in April at 28,485,000, although the former was in excess of the daily average in any month before March.

1. SHARE PRICES AND TURNOVERS

	Share Prices (Yen)			Average Daily Turnovers
	High	Low	Average	(1,000 shares)
1955: June	351.20	348.05	354.47	5,467
July	357.50	351.25	355.56	5,585
August	387.12	365.67	377.48	9,693
September	388.42	388.13	386.15	8,831
October	410.29	385.57	401.47	12,080
November	410.36	393.28	401.53	12,115
December	425.69	398.11	409.81	15,992
1956: January	431.60	420.14	426.46	14,886
February	430.64	422.50	429.71	15,485
March	458.58	440.17	444.29	18,907
April	487.35	462.41	472.22	28,485
May (1–12)	482.20	472.94	476.86	22,481

Weaker Speculations:—The apparent softening of the stock market was not attributable to the advent of any particular deterrents but came in reaction to the uninterrupted onward march of share prices since the latter half of 1955 into the early part of this year and particularly the notable activity from March through April. Hence, evening-up operations at the current tempo are well justifiable. A noteworthy trend in the recent stock market activity was the bulky volume of purchases directed at high-priced shares and the latest evening-up operations naturally have been concentrated upon similar shares. It should be noted that the market animation from late 1955 through early 1956 was largely centered around sundry shares as traders were in pursuit of second-rate stocks for better yields. During the interim, higher-priced shares remained comparatively quiet. Following the close of the first round of buying operations for yield-giving sundry shares in early April, selective buying was directed at leading shares at high quotations with the market growing more speculative. For instance Heiwa Real Estate, which stood at around ¥220 at the close of March, soared to ¥337 a month later on May 2, a marked gain of more than 50 per cent. The hike of more than 50 per cent within a short period of one month is more speculative than acceptably sound. The similarly energetic hike based on the speculative sentiment marked many other high-priced shares, although the rate of increase was not so wide-ranged. The latest evening-up operations demanding the sound rectification of the excessive gains, therefore, were quite justifiable. The slip which came in reaction also forced some second-rate stocks to drop. For example, Mitsubishi Shoji shares, which once rose to ¥175 on the strength of the rumored possibility of share dividends plus a 16 per cent dividend after capital expansion, dropped by more than ¥10 when it became certain through the company's announcement that no share dividends would be made and that the dividend after capital increase would stand at around 12 per cent. A contrasting instance was Daido Shipping. This company decided on a capital expansion plan for larger-scaled than previously anticipated and shareholders hastened to sell the shares for fear that their new share payments would become exceedingly heavy. This company was originally understood to double capital, but the company announced that it would triple capital. Through the proposed expansion, the capital of the company, which stood at ¥500,000,000 only six months ago is to jump to ¥4,500,000,000 (as it has already tripled capital in February this year through the first capital expansion). Thus, with no future capital increase apparently possible at least in the near future, Daido Shipping shares slipped markedly in recent weeks. Thus, it may be seen that the sharp spurt of share prices until late April was based greatly on the speculative sentiment, the tendency against which Governor Eikichi Araki of the Bank of Japan issued a warning some time ago. Hence, the latest evening-up movement is considered quite welcome as a step towards solidifying the basic tone of the market.

Shippings & Heavy Industrials:—As shown in Table 2, the average quotation of the 225 pivotals registered a drop of ¥12.89 during the period from April 20 when the high of the month was recorded on May 12. Of the 14 industrial groups into which the 225 leading industrials are classified, seven groups retreated while six groups advanced. Among the losers, the miscellaneous group dropped by 3.80 per cent, banking-insurance lost 3.01 per cent and textiles receded 2.94 per cent to head the list. In the miscellaneous group, heavy selling of Honshu Paper shares (due to the announced 4 per cent dividend cut) was chiefly responsible. Other paper shares also grew very soft. Equally down were ceramics (including cement and pottery) as well as Asahi Glass stocks. A bad showing of spinning shares due to the slip of yarn prices accounted for the retreat of textiles. The banking-insurance

group dropped sharply as some insurance shares depended much on speculative transactions in the preceding few months. Reactionary drops were also notable for Heiwa Real Estate and Mitsubishi Real Estate listed in the commerce group. The slip of some shares in the commercial group, however, was ably counterbalanced by the gain of department store shares, particularly Mitsukoshi, and this served to prevent a drastic fall of the group as a whole. Of the six groups which registered gains, shippings topped the list with the sharp 10 per cent increase as the possibility of dividend revivals or increases or capital expansion by shipping firms came as a booster. Mining, machinery-shipbuilding and iron-steel-metals were other gainers.

2. SHARE PRICE MOVEMENT BY GROUP

Groups	April 21	May 12	Gains or (–) loss	%
Averages of 225 Pivotals	487.35	474.46	(–)12.89	2.64
Banking, Insurance	637.21	618.02	(–)19.19	3.01
Railway Transportation	297.90	293.61	(–) 4.29	1.44
Shipping	252.58	278.35	(+)25.77	10.20
Gas, Electricity	197.06	198.96	(+) 1.90	0.96
Mining	398.85	399.62	(+) 0.77	0.19
Shipbuilding, Machinery	218.56	219.93	(+) 1.37	0.62
Iron-Steel, Metals	103.73	104.29	(+) 0.56	0.53
Textiles	613.74	595.66	(–)18.08	2.94
Foodstuffs	982.20	965.88	(–)16.32	0.64
Fisheries	155.63	158.94	(+) 3.31	2.13
Chemicals	418.96	419.93	(+) 0.97	0.27
Miscellaneous	510.86	492.43	(–)19.43	3.80
Commerce	906.23	901.82	(–) 4.41	0.46
Amusements	382.30	379.52	(–) 2.78	0.72

Source: *The Oriental Economist.*

Selective Buying:—Experts are almost unanimous in forecasting the continuance of the stiff market. They base their optimism on various stimulants including, above all, the continuous retreat of money rates, the maintenance of the easy money situation and the rising trend of corporate profits. For instance, business results of the companies settling their semi-annual terms either in March or April this year fared comparatively better than the showings for the preceding term which closed either in September or October, last year. In view of the unabated pace of sale increases, the coming term ending September or October is certain to make a still better showing.

Chances for any sharp hike for share price, however, are very slim, as the average yield of the 225 pivotals fell to a new low of 6.0% as of May 18. However, the average yield of the shares of dividend-giving companies still stands at a comparatively high level of 6.25% while that of 200 popular shares registers a higher mark of 7.14%. With a good number of firms expected to increase dividends or expand capital, however, the average yield is bound to gain. Hence, there is every possibility of a new round of selective buying operations after the close of evening-up transactions in evidence since late April, although traders will be on guard against speculatives.

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Trade with Communist China

THE embargo on trade with Communist China, toward the end of 1950, brought to an abrupt halt the recovery of trade with continental China, which had begun to show considerable promise. In the six years that have since elapsed there took place a notable decline in volume, particularly in exports from Japan, and there has been a shift in the source of supply of such key materials as iron ore and coking coal from nearby China to the United States and other distant areas.

It will be recalled that the embargo was enforced at the time Japanese trade was in transition from government control to private operation. Today, with the system in Japan running on a private basis under the minimum amount of government control, the trend in Communist China is still that of a gigantic political and economic upheaval. Consequently it is impossible to judge with any degree of accuracy the extent to which the embargo on "Iron Curtain" trade has been an impediment to "normal" Japanese trade with Communist China. Nevertheless there cannot be the slightest doubt that segregation of the China market has been a major factor contributing to such phenomena as the change, as against prewar, of Japan's pattern of trade, the delay in recovery of the prewar level of trade, the chronic dollar gap resulting from trade with the dollar area, the heavy dependence on United States military spendings, and the high cost of production and high export prices resulting from handicaps encountered in raw materials supply.

It is true that in the past few years Japan's foreign trade has made some remarkable strides. But when the average level of the prewar years (1934–36) is taken as the base figure, the trade indices for 1955 were still only at 57 for exports and at 80 for imports. In dollar area trade, although there was a notable increase in exports to the United States in 1955 there still occurred a deficit of more than $50 million according to the foreign exchange statistics.

It is obvious that without a steady and nearby source of such costly key industrial items as coal, iron ore, and salt; high prices for heavy and chemical industry products cannot be avoided.

Because of this state of affairs, it is but natural that in times of depression the Communist China market should be highlighted, while in times of prosperity the continent is particularly enticing as a source of raw materials.

Trade with Communist China on Gradual Increase

Thus it is that there has persisted among the Japanese a strong movement for removal of the embargo on trade with Communist China, starting with Madame Tomi Kora's participation in the International Economic Conference, and with the latest manifestation of this trend seen in the petitions submitted by all manner of people to Secretary of State Dulles when he visited Japan a short while ago. At the same time the economic interflow between Japan and Communist China has since last year been steadily on the increase, with the Communist China trade mission visiting Japan early in 1955, and with a group of Japanese businessmen visiting Peking last autumn.

The China International Trade Promotion Committee, which has the support of the communist regime, has in the meantime been conducting a series of conferences with Japanese representative of non-official status. The first meeting was attended by Madame Kora and some others; the second was attended by a mission sent by the Federation of Diet Members for Promotion of China-Japan International Trade; and the third by a mission sent jointly by the above-named federation and the Japan International Trade Promotion Association. These three conferences led to the signing of three China-Japan trade agreements which have in common the principle of equality and reciprocity, the principle of barter of goods of similar category rating, and a £30 million top limit for one-way trade.

The Government on the other hand, announced between the summer of 1952 and the autumn of 1954 on fourteen different occasions the removal of about 270 items from the contraband list; while from November 1954 export permits have been granted for certain of the contraband items on a special approval* basis.

1. DEPENDENCE ON THE UNITED STATES AND COMMUNIST CHINA FOR KEY RAW MATERIALS AND FOOD

(percentages)

		1934–36	1950	1951	1955
Iron Ore	China	34.0	18.7	1.3	1.1
	U.S.A.	—	—	33.6	10.5
Coal	China	68.4	58.8	1.1	2.9
	U.S.A.	—	13.9	70.9	85.5
Salt	China	38.6	8.6	0.2	26.1
	U.S.A.	—	2.8	10.6	4.9
Soybean	China	71.3	56.5	2.6	27.4
	U.S.A.	—	43.5	93.7	56.9
Rice	China	—	—	—	9.7
	U.S.A.	—	—	—	21.4

Source: Ministry of Finance.

2. TRANSITION OF TRADE WITH COMMUNIST CHINA

	Exports Value ($ million)	Vs. All Exports (%)	Import Value ($ million)	Vs. All Imports (%)
1934–36 Av.	198.6	21.6	115.6	12.4
1949	2.1	0.6	21.8	2.4
1950	19.6	2.4	39.6	4.1
1951	5.8	0.4	21.6	1.1
1952	0.6	0.04	14.9	0.7
1953	4.5	0.3	29.7	1.2
1954	19.1	1.1	40.8	1.7
1955	28.5	1.4	80.8	3.3

Source: Ministry of Finance.

While things were thus changing, the international situation also indicated some easing of tension, and since 1952 trade with Communist China has been on the uptrend although this is slight. In 1955 exports amounted to $29 million, 1.4 percent of all exports, while imports totalled $81 million-worth, 3.3 per cent of the overall import volume.

*Special approval is in accordance with the provisions of the COCOM agreement, and is permitted for one time only when the exports are in exchange for key materials received from the communist area or when sale of the commodity is of critical significance to the economy of the exporting nation.

The principal export items in 1955 were chemical fertilizer, dyestuff (including raw materials), industrial chemicals, rayon yarn, and some others. But chemical products were predominant. On the import side, the items were such foodstuff as soybean, rice, and sundry beans, edible oils, salt, and magnesia clinker. Iron ore and coal were purchased in insignificant quantities.

3. PRINCIPAL ITEMS OF TRADE WITH COMMUNIST CHINA

(Actual customs figures, in million yen)

	1954	1955
Export	6,878	10,277
Food & Beverages	171	230
Textiles	1,365	2,137
Rayon Yarn	791	941
Cotton Fabric	408	286
Chemical Products	4,788	6,280
Fertilizer	1,843	3,237
Industrial Chemicals	801	658
Dyestuff	457	438
Dyestuff Materials	655	1,351
Metals & Metal Products	23	234
Machinery	339	731
Import	14,677	29,080
Foodstuff	9,819	19,229
Rice	4,508	6,893
Soybean	2,668	9,707
Other Beans	1,313	2,017
Textile Fibers	1,266	1,490
Animal & Vegetable Products	1,203	2,888
Fats, Oils, Resins	1,344	2,215
Fats & Oils	962	1,625
Metals & Metals Products	230	348
Iron Ore	217	324
Non-Metallic Minerals	2,056	3,727
Coal	201	530
Salt	1,229	2,030
Magnesia Clinker	422	767

Source: Ministry of Finance.

The Stiff Embargo

However, in Japan's trade with Communist China, the balance has always been against Japan. In 1955, the adverse balance of trade amounted to more than $50 million. This is mainly because the goods that China wishes in exchange are blocked by the embargo on shipments to the communist areas.

In the case of Japan, the "A" list of contraband goods, as indicated by the United States Government, was enforced; so the ban on shipments was much stricter than with the countries of Western Europe, and it is doubtful whether the fourteen relaxations of restrictions have brought Japan to a footing equal to that of the European nations. For instance, there are being shipped into Communist China certain items that are still regarded as contraband by the Japanese Government (e.g. steel products, Diesel engines, motor vehicles, precision instruments, metallurgical microscopes).

Furthermore, even among the disembargoed items there is a considerable number of commodities that are under restrictions as to quantity or quality. The special approval items also are limited to a very small number (acetic acid, vinyl chloride, vacuum tubes, fish school detectors, steel sheet, tinplate, &c.). In fact, there is no freely exportable item in the A classification of the third trade agreement with Communist China.

On the other hand, imports from Communist China include quite large amounts of commodities in classification A. During the term of validity of the second trade agreement, purchases of these items exceeded the percentage stipulated by that agreement (not more than 35 per cent of the total value set at £30 million). This resulted in the problem of uncompleted export for escrow barter trade; and although some concession was made by the Chinese side there still remained, as of March 31, last, an unfulfilled amount of £12,500,000.

It will be clear from the above that the biggest obstacle to promotion of Communist China trade on the basis of the current agreement is the embargo policy; and there is some doubt as to the reasonableness of enforcing a stricter embargo for Communist China than for other communist areas at this late date, some three years since the signing of the Korean ceasefire.

How then will the situation become if trade with Communist China were to be undertaken on the same basis as with other communist countries? Among the items in classification A of the current trade agreement, steel pipe and tubing, structural steel, bulldozers, and electric power generation equipment (up to 10,000 KVA) will be exportable without qualifications, while the greater portion of copper sheet, railroad equipment, cranes, and ships (tugs, freighters, fishing craft) will also become non-contraband. Complete restriction will apply only to copper ingot.

Present Settlement System Another Impediment

It must be noted that the present system of carrying out transactions and effecting payments is another obstacle to promotion of trade. Not only are there numerous inconveniences but the system appears to be so designed that business will be held up.

According to the regulations governing barter trade, issued by the Ministry of International Trade and Industry, trade with China must be carried out on an individual barter basis. In other words, export items must be matched with import items either simultaneously or with only a slight difference in time. But because there are severe restrictions

on export items, it is difficult to arrange suitable "packages" for barter. Moreover, there does not exist any single trading firm that handles a wide variety of commodities purchased from Communist China. Consequently, in making up a barter "package" it is necessary to go into bothersome negotiations with a number of trading firms.

Therefore it often happens that enquiries must be allowed to go unanswered; while even when contracts are signed losses are incurred because of poor timing.

As for the method of settlement, since, as will be explained later, no payments agreement with Communist China can be concluded, and because it is impossible to utilize the banking facilities and connections available to both countries, there is inevitable loss of time, labor, and money.

The current, third trade agreement with Communist China ends on May 6. The holding of trade fairs stipulated by the agreement has been undertaken first by the Chinese side in Tokyo and Osaka, last year; while the plan is for the Japanese promoters to hold fairs in Peking and Shanghai this coming October (shortly after National Celebration Day) and December. The problem at present is whether or not to include contraband items among the sample exhibits; and there is a strong movement among businessmen demanding the showing of these commodities. It appears therefore that the Government will be forced to acquiesce, conditional upon return to Japan of the exhibited contraband items.

Despite these developments, there has been no satisfactory solution of the problems raised in connection with the setting up of an open account settlement system on the basis of a payments agreement, and with the stationing of commercial representatives on a reciprocal basis. In other words, the "support and cooperation" promised prior to the signing of the trade agreement by Premier Hatoyama have not been forthcoming.

It does not require much imagination to perceive that Communist China is extremely dissatisfied with this state of affairs; and there is a growing sentiment among those concerned on the Japanese side that instead of negotiating for a new agreement, it may be better to extend the present agreement for another year in order to provide the time for settling the pending issues. The thinking behind this approach is that with improvements in the international situation the conditions will become more auspicious for promotion of trade with Communist China.

Leeway for Government Judgment

Nobody questions the fact that COCOM wields the highest authority in regard to trade with Communist China. However, COCOM, unlike other international organizations, is not based upon treaties or agreements (apart from the Battle Act of the United States), and its true identity has never been made public. Consequently, there has at times been doubt cast upon the embargo enforced by COCOM, the question being whether only strategic goods are being banned. Japan's participation in COCOM was not with the approval of the National Diet; so the impression is that COCOM is a secret agency born and operating under cover.

In the case of Japan there is in existence no legislation specifically prohibiting trade with Communist China. So control is exercised as an administrative measure under the Export Trade Control Ordinance, and the Government has a free hand in imposing severe restrictions. (There are provisions made for cooperation with the United States in connection with trade with the communist areas in the protocol attached to the United States-Japan Mutual Security Agreement).

Apart from a reconsideration of such basic problems, there are various actions that could be taken immediately for promotion of trade with Communist China.

1) It is said that Japanese diplomatic officials charged with COCOM affairs number only four, as against several dozen in the case of the nations of Western Europe. These officials maintain close contact with businessmen and are active in promoting sale of their country's products to Communist China and other communist nations.

2) According to hearsay, the special approval system works both prospectively and retroactively. Consequently it appears that depending on how it is gone about there is room for wider application of this system.

3) Although Communist China has been insistent on barter of commodities of the same classification rating, it is not that the stress is on item by item barter but rather on proper proportioning of the transactions within each classification. Consequently, if while striving to mitigate the curbs enforced by the embargo the Japanese Government could permit departures from its item by item method of barter to adopt the integrated (balanced) system advocated by businessmen there will be considerable reduction of the inconveniences presented by the current system.

4) Communist China is not warm toward the idea of establishing correspondent relations between their Bank of China and the Japanese exchange banks. What the Chinese desire is a payments agreement between the central banks of the two countries. On this point some concession should be made by Communist China; but it would appear possible to enter into a payments agreement and permit the mutual stationing of trade representatives even though diplomatic relations have not been established. In the case of Japan this method was adopted even before the signing of the peace treaty, while precedents have been set by other free nations in their dealings with Communist China.

As was explained elsewhere Japan's trade with Communist China does not differ appreciably from Japan's trade with say Switzlerland or West Germany. It is true, a part of the loss of the China market can be covered by development of Southeast Asia trade. But it has been repeatedly pointed out that in the case of trade expansion in Southeast Asia the strong footholds established by the advanced nations of the West must be contended with.

Moreover, among the nationalistic peoples of Southeast Asia, there exists a feeling that Japan's policy in regard to Communist China trade is symptomatic of Japan's subservience to the United States. This feeling runs so strong that it actually constitutes an element of obstruction to the cooperation desired between the countries of the Southeast Asia area and Japan. It should also be noted that to substitute the Southeast Asia market for the China market is not entirely reasonable considering the economic patterns of Communist China and the countries of Southeast Asia, and the trade pattern of Japan. It therefore appears desirable for the Government to formulate promptly a China policy and to undertake positive promotion of trade with Communist China, viewing the situation from a higher and long-range standpoint than heretofore.

Fishing in Japanese Industry

HARASSED by such obstacles as the Rhee Line, H-bomb tests in the Southeastern Pacific and the Russian moves to restrict North Pacific salmon fishing, Japan's vital fishing industry is fighting an important battle for its very existence.

In 1938, Japanese fishermen brought in 16.2% of the total world fish haul. By 1954, Japan's share had recovered after the war to 16.1%, slightly below prewar, while the total amount had grown by 27.6%. There is no doubt, however, that Japan is by far the most active fishing nation in the world followed by the United States (9% of the world total), the Soviet Union (8.8%) and Norway (6.6%).

The amazing achievement of the Japanese industry results, of course, from the easy access in this country to the sea and the abundance of fishing ports and resources. The average Japanese consumes 102 grams of fish products daily, compared to 57 grams in Norway, 36 in England, 18 in France, 15 in Canada and 14 grams in the United States.

According to the Japanese Welfare Ministry, 82.8% of the calories provided by animal foods (which themselves supply 7.4% of total caloric intake), come from fish and shell-fish. Likewise fish and molluscs provide 80.1% of the animal protein (which in turn comprises 32.2% of all the protein in the Japanese diet. Fish and shell-fish also dominate in the animal oil field with 59.3%.

These facts show what a large part inexpensive fish and shell-fish play in the diet of average Japanese people. Without fish, the Japanese would not be able to keep abreast of their Western rivals in labor efficiency.

The revenue from the fishing industry is one of the most important items in the Japanese national income. Industry accounted for 1.6% of average national income before the war (1934-6). The percentage grew considerably in the post-war days, to 2.6%. (For details, see Table 3).

The marine products industry looms large also in the export field. In 1955 $75,600,000 worth of fish and fish products were shipped to foreign destinations, positioning these products firmly in the sixth place among leading export items. Incidentally, chemical fibres ranked fourth with $82,-

1. FISHERIES CATCHES BY MAJOR COUNTRIES
(In 1,000 metric tons)

	1938		1954	Percentage ag. World Total
Japan	3,562		4,544	16.1
America	2,253		2,538	9.0
U.S.S.R.	1,557		2,502	8.8
Norway	1,153	×	1,860	6.6
Britain	1,198	×	980	3.5
Canada	519	×	652	2.3
West Germany	777	×	642	2.3
Spain	408	×	578	2.0
France	530	×	442	1.6
Iceland	274	×	384	1.4
Portugal	240	×	307	1.1
Newfoundland	318	×	279	1.0
Total incl. Others	22,040		28,310	100.0

Note: Excluded are the marine mammals.
Source: FAO Year Book of Fishery Statistics.

2. CALORIC PERCENTAGE OF AN AVERAGE JAPANESE

	Animal Foods (A)	Fish & Shell-fish (B)	B/A (%)
Calory	7.4	5.3	82.8
Protein	32.2	25.8	80.1
Fat	30.2	17.9	59.3

Source: Ministry of Welfare.

3. NATIONAL INCOME BY INDUSTRIES
(In ¥ billion)

	1934–6 average	1954
Primary Industries	2.9 (19.8)	1,318.6 (21.5)
Agriculture	2.4 (16.8)	1,000.0 (16.5)
Forestry	0.2 (1.6)	149.3 (2.4)
Fishery	0.2 (1.6)	159.3 (2.6)

Note: Figures in parentheses are indices against all industries.

4. FISH EXPORTS BY MAJOR COUNTRIES
(In $100,000)

		Increase or Decrease
The United States	414 (54.8)	33
Formosa	15 (2.0)	(↔) 25
Hongkong	19 (2.5)	1
Malaya & Singapore	24 (3.7)	3
Indonesia	2 (0.3)	1
British West Africa	8 (1.1)	(↔) 6
Britain	36 (4.8)	(↔) 44
Others	238 (31.5)	53
Total	756 (100.0)	14

Note: Figures in parentheses denote percentages. As of 1955.

000,000 worth of exports, and ships fifth with $78,000,000. The seventh place was occupied by the non-ferrous metals industry which exported $66,600,000 worth of commodities.

Rumors are now on the rampage, however, that fish exports have already hit the ceiling since foreign sales rose only $1,400,000 in 1955. In the prewar days, such customers as England, the United States and China were buying Japanese products energetically. After the war, however, China laid down strict restrictions on fish imports from Japan, while England wants to import Japanese marine products only in exchange for her whisky, chocolates, and automobiles. The only big outlet now, therefore, is the United States, which too has recently shown some unwillingness to continue as a major market for Japan.

Production of canned salmon has been accelerating yearly since the resumption of North Pacific salmon fishing in 1952. However, exports fell sharply in 1955 due to England's reluctance to buy. Exports to the United States, on the other hand, are faring much better since many Americans are gradually switching from the more expensive beef and pork to far cheaper oiled salmon. The exhorbitant 45% import tariff imposed on oiled salmon from Japan since 1952, however, is daily proving a tremendous obstacle to Japanese exports.

As a sole countermeasure, Japanese exporters made an all out effort to export salmon in brine, and frozen tuna, which are comparatively lightly taxed. But cries are rising in American fishing circles for an immediate increase in protective tariffs. Consequently, the future in this field is again rather uncertain.

5. FISH EXPORT BY MAJOR ITEMS

(In $1,000)

Fresh Fish	21,454	(28.4)
Tuna	19,860	(26.3)
Dried Fish	1,788	(2.4)
Dried Shell-fish	5,497	(7.3)
Shell-fish	1,227	(1.6)
Squid	2,924	(3.9)
Bottled or Canned Fish	45,671	(60.4)
Salmon-trout	11,671	(15.4)
Tuna	11,040	(14.6)
Bonito	5,049	(6.7)
Sardine	3,192	(4.2)
Crab	7,965	(10.5)
Other Marine Products	1,218	(1.6)
Total	75,628	(100.0)

Note: Figures in parentheses denotes percentage.
Source: Ministry of Agriculture and Forestry.

The Japanese fishing industry as a whole surpassed its prewar achievements in all respects in 1952. But since then, there has been little significant improvement. Taking 1952 as 100, the 1955 index stood at 105 (348,800 kilograms).

A total of 11,968 whales were captured during 1955, an increase of 53% over 1954, when only 7,816 were brought to port.

Table 6 shows the extent of the haul by major fish. Those registering sizable increases over 1954 include salmon (five times), mackerel-pikes (doubled), black marlins (doubled) sardines, bonitoes, tunas, marlins, horse mackerels, cod-fish, red sea breams, bastard halibuts, yellow croakers, black croakers, oysters, octopi, *wakame* and laver.

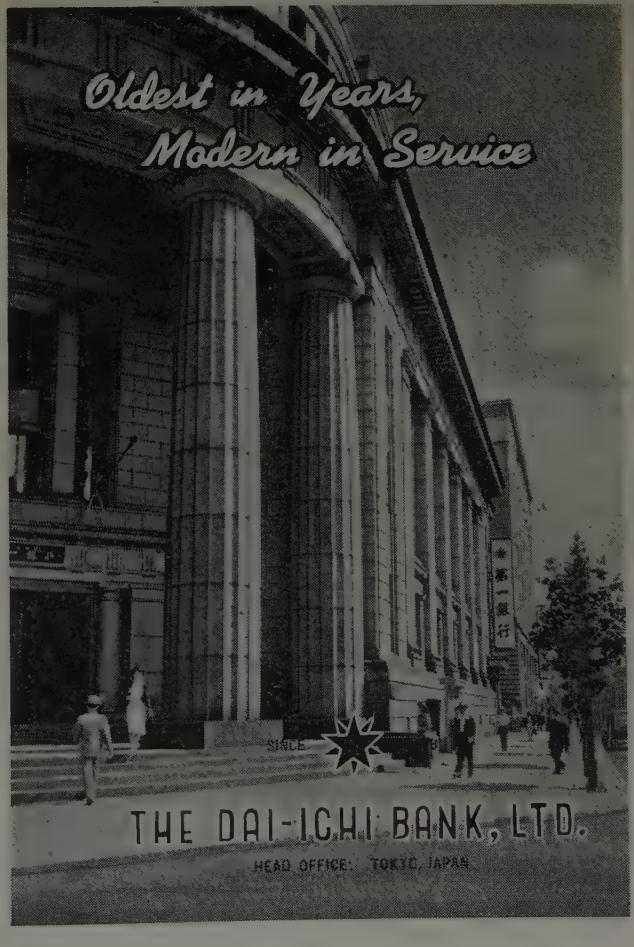
Those which suffered sizable declines include herrings (85% off), mackerels, yellow tails, sharks, yellow sea breams, halibuts, atka mackerels, sand lances, short-necked clams, squids and kelps.

6. HAULING BY ITEMS

(In 10,000 *kan*)

Fish	93,956	(718)	108
Herring	1,249	(9)	15
Sardine	17,844	(136)	105
Bonito	2,657	(20)	116
Tuna	4,672	(36)	136
Marlin	523	(4)	128
Black Marlin	566	(4)	219
Mackerel	6,517	(50)	85
Horse Mackerel	6,357	(50)	116
Yellow Tail	1,230	(10)	79
Codfish	6,814	(52)	104
Sharks	2,090	(16)	87
Red Seabream	595	(4)	109
Yellow Seabream	310	(2)	82
Halibut	3,001	(23)	96
Flounders	275	(2)	105
Atka Mackerel	3,033	(23)	82
Mackerel Pike	13,253	(101)	220
Salmon, Trout	4,681	(36)	481
Black Croaker	2,748	(21)	148
Yellow Croaker	1,566	(12)	89
Sand Lance	1,832	(14)	194
Others	8,876	(68)	149
Shell-fish	2,723	(21)	142
Oyster	1,715	(13)	77
Short-necked Clam	17,202	(132)	81
Other Marine Animals	11,585	(89)	66
Squid	1,270	(10)	127
Octopus	8,959	(68)	100
Sea-weeds	3,900	(30)	92
Kelp	1,201	(9)	112
Wakame	1,542	(11)	137
Laver	..	( )	..

Source: Ministry of Agriculture and Forestry. Figures on the right side column are indices based on 1952 (100).



Labor Productivity

It is a common statement that labor productivity has increased immensely in recent years. Few figures, however, have been available to test the assertion. Now Keidanren has filled this void with a recently completed survey showing statistically the advance in labor productivity of thirty major items through 1955, including iron & steel, cement and coal.

According to the report, which covers the average monthly production indices per man-hour in the last half of 1955, productivity has been on a steady rise since the termination of hostilities and has recently surpassed the pre-war heights in most of the thirty items surveyed.

Labor productivity in the following industries rose during the past few years: (figures in parentheses represent the percentage of 1955 productivity against the Jan.-June 1954 average). Caustic soda, ammonium process (143), rayon yarn (138), fluid chlorine (132), paints (129), rolled light metals (127), wires & cables (127), leather (127), paper (118, this alone based on the last half of 1954), ammonium phosphate (116), caustic soda, electrolytic process (116), sheet glass (115), steel materials (114), copper (112), coal (112), rayon staple (110), soda ash (110), cotton yarn (109), aluminum (105), bicycle (104), calcium cyanamide (103), gold (103), tar products (102) and bleaching powder (101).

Industries where productivity decreased include: industrial explosives (85), rubber goods (91), cement (91), lead & zinc (94), rolled copper (99) and chlorine (99). Electric power productivity remained virtually constant since the first half of 1954.

One of the most important characteristics of the latest productivity increase is that it advanced more steadily over a wider range of products than before. Expanding foreign business which favorably affected the domestic economy, plus the biggest rice crop in years and a high level of exports combined to push productivity steadily upward. On the other hand, with a few isolated exceptions, the labor force did not grow to any appreciable degree, due to improved techniques and plant facilities.

Industries where productivity increased can be classified in three groups: a) those in which production rose despite a decrease in man-power, i.e. steel materials, wires & cables, sheet glass, ammonium sulphate, caustic soda ammonium process, paints, rayon staple, paper and leather; b) those which grew both in production and man-power, i.e. copper, gold, aluminum, rolled light metals, calcium cyanamide, soda ash, caustic soda electrolyte process, bleaching powder, fluid chlorine and rayon yarn; and c) those which declined both in production and labor force, with a greater decrease in labor force, i.e. coal, bicycle, tar products and cotton yarn.

There are also three categories for industries which experienced a productivity drop; a) industries whose production decreased in spite of a man-power increase, i.e. cement, industrial explosives and rubber goods; b) industries which declined both in production and man-power, with production falling faster, i.e. rolled copper; and c) industries which gained both in production and man-power, with man-power increasing more rapidly, i.e. lead & zinc and chlorine.

It would be interesting to contrast the present efficiency levels with those of the pre-war period. However, the comparison is very difficllt since the necessary statistics and reports were lost during the war. Only twelve industries, i.e. electric power, coal, steel materials, bicycles, cement, sheet glass, ammonium sulphate, paints, cotton yarn, paper, leathers and rubber goods could supply complete or near complete figures from which to compute indices.

Compared with 1930 (which was the pre-war peak for the following items), the latest indices for worker productivity stand at 130 in sheet glass, 121 in leathers, 102 in coal and 84 in paper. Side by side with 1936 (the peak year for the following),

1. MONTHLY & HOURLY PRODUCTION PER CAPITA

	Monthly Production	Hourly Production
Electricity	100	—
Coal	112	104
Copper	112	—
Lead & Zinc	94	—
Gold	103	—
Steel Materials	114	116
Rolled Copper	99	95
Aluminum	105	110
Rolled Light Metals	127	100
Wires & Cables	127	124
Bicycles	104	—
Cement	91	89
Sheet Glass	115	110
Ammonium Sulphate	116	115
Calcium Cyanamide	103	—
Soda Ash	110	111
Caustic Soda (Ammonium Process)	143	143
Caustic Soda	116	117
Caustic Soda (Electrolyte Process)	99	100
Soda	101	102
Hydrochloric Acid	132	132
Bleaching Powder	102	102
Fluid Chlorine	129	131
Tar Products	85	85
Paints	110	109
Industrial Explosives	138	124
Spun Rayon Yarn	109	119
Rayon Yarn	118	122
Cotton Yarn	127	127
Papers	91	88
Leathers	—	—
Rubber Goods	—	—

Note: 1954 second half=100 for coal and papers, 1954 first half=100 for the rest.

Source: *Keidanren* (Japan Federation of Employers' Association).

the most recent indices stand at 137 for cotton yarn, 109 for cement, 105 for steel materials and 104 for electric power. Ammonium sulphate and bicycles stand at 138 and 94 respectively against 1937 (peak year) figures. Thus, except in very limited number of cases, per capita productivity has eclipsed the pre-war heights. The rise is even more impressive when two facts are taken into consideration; a) In the prewar period, only regular employees were counted in calculating the per capita productivity, while at present, even temporary employees are included; b) since the end of the Pacific War, the number of working hours per day have been reduced.

It may be more meaningful, consequently, to see how the present *per hour* worker productivity indices compare with those in the pre-war period. Because of the scarcity of pre-war information, only seven industries could supply the necessary figures for comparison, i.e. coal, steel materials, cement, ammonium sulphate, paper, leathers and rubber goods. As far as these seven industries are concerned, there is no doubt whatsoever that the productivity has progressed several notches upward. The coal industry, where per capita hourly production in 1930 of 0.082 tons represents a base of 100, stood at 109 in the last half of 1954. Although no final figures are yet in for 1955, there is no doubt that the pre-war mark was greatly surpassed in both halves of the year. As of September, 1955, steel materials stood at 137 (28.7 kilograms) against 1936's 100 (21.0 kilograms), while cement in June, 1955, registered 153 (0.321 tons) against the 1936 figure (0.211 tons). Ammonium sulphate, on the other hand, stood at 206 (44 kilograms) as of June, 1955, against 1937's figure (21.4 kilograms). Paper also advanced to 143 (30.1 pounds) as of September, 1955, against 1930's figure (21 pounds). Leather and rubber goods likewise rose from the pre-war peaks (3.7 kilograms for leathers, 0.48 kilograms for rubber goods) to 4.29 kilograms (index 116) and 0.68 kilograms (index 142) respectively.

Now let us examine the per capita monthly production index compared with that of pre-war.

1) Electricity. Against the monthly production of electricity in 1934 (24,353 KWH equals 100) the index grew to 117 (28,712 KWH) in 1936, dipped a little to 104 (25,395 KWH) in 1943 and dropped still more during the war. It began to recover in 1951, and in 1953 production had eclipsed the 1936 peak with an index of 119. In 1954, an average 29,775 KWH (index, 122) was registered, and the same figure was reached in August 1955.

2) Coal. On the basis of the 1930 figure (12.8 tons per month per capita), a record high was registered in 1933 with the index of 148 (18.6 tons). After the war, however, production plummeted to 49 (6.3 tons) in 1949. The industry gradually recovered from the trough year and 1953 registered an average index of 88 (11.3 tons). The average for 1954 was 94 (12.0 tons), while the figure for the last part of 1954 alone was higher than the year's average with 97 (12.4 tons) registered. Although the figure is far from the 1933 peak, the index of 102 witnessed in September, 1955 is none too low, either.

3) Steel Materials. Productivity in this industry also followed approximately the same course as coal. Compared with the 1936 figure (5.41 tons), productivity dropped to as low as 1.35 tons (index, 25). However, the industry then recovered rapidly. In 1953, 4.65 tons (index, 86) was reported, while the figure for 1954 stood at 4.83 tons (89) and the September, 1955 figure was still more encouraging at 5.71 tons (index, 105).

4) Bicycles. Based on 1937 output (pre-war peak, 9 bicycles per worker per month) the 1952 index (post-war peak) stood at 106 (9.6 bicycles). From then on, however, the industry has been on a slight down-grade with 97 (8.8 bicycles) in 1953, 88 (7.9 bicycles) in 1954 and 94 (8.5 bicycles) in August, 1955.

5) Cement. On the basis of the pre-war peak (1936; 59.3 tons per worker per month), average index for 1954 stood at 124 (73.31 tons), while the last half of the year alone registered 128 (75.54 tons). Productivity fell somewhat in 1955 to 109 (64.46 tons) but the figure was still high compared with the pre-war level. Moreover, if 1930 is set at 100, the average index for 1954 stood at 181, while the last half of the year alone stood at 187. Even the level in June, 1955 reached 159. (Temporary employees are excluded from these calculations.

6) Sheet Glass. Based on 1930 production (93 cases per worker per month), the 1936 index stood at 215 (200 cases). Production, however, fell drastically during the war and recovered only in 1954 when 101 cases (index, 108) were produced. Production has been steadily on the upcurve and in

2. MONTHLY PER CAPITA PRODUCTION INDICES

(Against pre-war figures)

Items	Base Years (100)	Pre-war Peaks (A)	Recent Indices (B)	A/B×100
Ammonium Sulphate	1937	* 100 (1937)	138 (April–June, 1955)	138.0
Cotton Yarn	1936	110 (1937)	137 (September, 1955)	124.5
Cement	1936	100 (1936)	109 (June, 1955)	109.0
Steel Materials	1936	* 100 (1936)	105 (September, 1955)	105.0
Electricity	1934	117 (1936)	122 (August, 1955)	104.0
Bicycles	1937	100 (1937)	94 (August, 1955)	94.0
Leathers	1930	134 (1941)	121 (September, 1955)	90.2
Papers	1930	100 (1936)	84 (September, 1955)	84.0
Rubber Goods	1930	152 (1934)	112 (August, 1955)	73.6
Coal	1930	148 (1933)	102 (September, 1955)	68.9
Sheet Glass	1930	*△ 215 (1936)	130 (September, 1955)	59.5

Note: * indicates doubt if the years were truly pre-war crests. △ indicates estimate.

Source: *Keidanren* (Japan Federation of Employers' Association).

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September, 1955, the recovery was so complete that a production average of 119 cases (index, 130) was no longer unusual. (Temporary employees are included in the sheet glass calculations).

7) Ammonium phosphate. With 1937 taken as 100 (5.58 tons per capita per month) the 1954 monthly average stood at 119 (6.66 tons), while the last half of the year alone stood at 121 (6.76 tons). The April-June monthly average in 1955, on the other hand, stood at 138 (7.73 tons). (It must be noted that a 12-hour day was not unusual in this industry before the war.

8) Paints. Based on 1936 (1.853 tons per capita per month), the 1950 index stood at 124 (2.313 tons). It is impossible to compare the figures from 1951 on with those of the pre-war period, since there occurred an unbridgeable change in the composition of labor in this industry. However, the fact that the per worker monthly production increased from an average of 2.995 tons in 1953 to an average of 3.353 tons in 1954 and to 4.195 tons in September, 1955 amply testifies that progress has certainly been made.

9) Cotton yarn. Based on 1936 (1.83 bales per capita per month), 1937 index (pre-war peak) stood at 110 (2.02 bales). Post-war production began to rise in 1950. The year 1953 was a memorable one in cotton spinning circles because this was when the pre-war peak was nearly equalled for the first time in the painful road to recovery with an index of 109 (2.00 bales). The average index for 1954 was still more impressive at 124 (2.28 bales) with the figure for September, 1955 reaching as high as 137 (2.52 bales).

10.) Papers (including both Japanese and Western style papers plus machine-made Japanese papers). Production of papers followed a crab-like course during the pre-war years with a monthly output in 1930 of 6,467 pounds per worker. The industry, however, met with the same sad fate as almost all others during and after the war, and production was a mere 4,151 pounds (index, 64) per month in 1953. Although the output has been steadily rising progress has been slower than in most of industries with 4,580 pounds (index, 70) registered for the second half of 1954 and 5,151 pounds (index, 84) for September, 1955.

11) Leathers. Based on 1930 (710 kilograms per capita per month), the 1941 (pre-war peak) stood at 134 (155 kilograms). After the war, production recovered only by 1953 when 756 kilograms (index, 106) was achieved. There was a slight dip, however, in 1954 when output fell to 668 kilograms (index, 94). The index for September, 1955 was 121 (858 kilograms).

12). Rubber goods. Based on 1930 (117 kilograms per capita per month), 1934 (pre-war peak for the industry) stood at 152 (178 kilograms). Post-war figures were 146 kilograms (index, 125) for 1954 and 131 kilograms (index, 112) for August, 1955,

Bigger Farm Income

IT is commonly said that 1955 was a boom year for Japanese farmers—who turned out the biggest rice crop in our recorded history and benefited from a generally steady market. When we probe a little deeper, many interesting characteristics of the 1955 farm boom become apparent.

Some of the most conspicuous are:

1) except for rice, farm produce quotations fell due to increased output;

2) non-agricultural income of farmers, which had supported rural households to a great degree after the war, dropped in proportion to total income for the first time in 1955;

3) farmers were unusually conservative in spending despite substantially higher incomes;

4) their surplus income found its way mostly into bank vaults, thus holding the expected farmers' "buying spree" to a minimum; and 5) farmers' purchasing activities have stretched smoothly from the time of harvest into 1956 with no apparent sign of a rapid decline.

Now for some important details. As shown in Tables 1 and 2, the 8% increase in overall farm income, despite a sizeable drop in the non-agricultural revenue was the result of the remarkable advance in agricultural earnings from the sale of a record rice crop. While earnings from rice rose by 27%, a mere 3% growth was seen in income from other crops, keeping the overall agricultural revenue increase at a moderate 14%.

Poor harvests of apples and oranges boosted their prices and helped increase overall fruit earnings, while such fixed price items as leaf tobacco also registered a considerable increase in income, because of an abundant crop. Sericulture earnings, despite the spring drop in cocoon price, registered an admirable gain over last year's figure, while wheat and barley were the two chief losers with 14% drop in revenue between them. Other farm items including peas, beans, potatoes, vegetables and dairy products all suffered a setback in earnings despite a considerable increase in the amount produced. Especially noteworthy was a sharp downward spin in earnings from summer greens, including cucumbers and tomatoes, which were sold at half their usual price in August. Peas, beans, potatoes, calves and milch cows immediately followed suit and dropped rapidly at the end of the turbulent year.

The black market rice price naturally went down sharply with the abundant shipments of new grains. While there was an amazing 35% increase in earnings from quota delivery rice, the earnings from the black market sales registered a mere increase of 8% over 1954. In such districts as Kinki (a part of central Japan), where the black market price went down so sharply, such income in the farm-households was smaller than in 1954.

This lack of uniformity in the price movements of farm products in 1955 resulted in an equal diversity in farm incomes. For example, farmers in the rice-producing Hokuriku District and Sanin District, where leaf tobacco is also a prize commodity along with rice, enjoyed a fat 22% increase in sales value during 1955, while farmers in such districts as Kanto, Tohoku, Hokkaido and Inland Sea coasts, where the main farm products are sweet potatoes, wheat, barley and vegetables, enjoyed a far smaller income growth—around 15%.

Differences are also discernible in agricultural income according to farm sizes. For example, in Hokuriku where even the smallest farmers use half their arable land for rice, households having less than 5 *tan* fields enjoyed the greatest increase as their extra rice brought direct profits either from the black markets or as a result of the Government-sponsored bonus rice delivery system, while the rate of increase is well balanced among the well-to-do farmers.

These differences are greater and more varied among the Inland Sea coast farmers, who cultivate much less rice than their Hokuriku counterparts. For example, unlike Hokuriku, it is the 5 *tan* farmers whose income grew the least. Those farmers

1. CASH ACCOUNTS OF FARM HOUSEHOLDS IN 1955
(All Japan average; in ¥1,000 and %)

Items	Amount in ¥1,000	Ag. Previous Year (%)
Cash Agricultural Income (A)	149.3	119
Agricultural Income	221.6	114
Agricultural Expenditure	72.3	104
Cash Extra-Agricultural Income (B)	110.3	97
Extra-Agricultural Income (ex. forestry)	15.5	92
Wages and Salaries	74.1	99
Income from Interests	4.9	116
Subsidies	15.9	86
Cash Income Total (A+B)	259.6	108
Levies and Taxes	27.5	115
Payable Interests	1.7	122
Household Expenditure	171·7	101
Surplus	58.7	132

Source: Ministry of Agriculture and Forestry for all the tables.

2. 1955 FARM PRODUCTION AND CASH INCOME AGAINST 1954
(In percent)

Items	Production	Cash Income	Constituent Percentage
Whole	120	114	100
Rice	130	127	47
Wheat and Barley	94	86	6
Peas and Beans	146	91	2
Other Cereals	147		
Potatoes	116	95	3
Vegetables	111	99	9
Fruits	80	121	7
Tobacco and Other Non-essential Farm Produce	119	114	7
Sericulture	113	119	6
Dairy Products	109	99	11

3. 1955 FARM INCOME INCREASE AMOUNT AND RATION OVER 1954

(By scales)

	Hokuriku Farmers	Inland Sea Coast Farmers
Farmers with less than 5 *tan* field····	7.8 (36)	1.3 (2)
,, 5–10 *tan* field·····	19.8 (18)	17.7 (12)
,, 10–15 *tan* field ·····	47.8 (20)	17.0 (6)
,, 15–20 *tan* field ·····	75.6 (24)	107.5 (28)
,, more than 20 *tan* field··	97.4 (21)	66.4 (34)

Note: Figures in ¥1,000. Figures in parentheses are percentages. *Tan*=9.917 acres.

4. CURRENT ASSETS IN FARM HOUSEHOLDS IN HOKURIKU

	End of 1955 (In ¥1,000)	Increase Over same time in 1954 (In ¥1,000)	Increase Percentage
Farmers with less than 5 *tan* field··	102.7	28.0	37.5
,, 5–10 *tan* field·····	145.6	40.6	38.7
,, 10–15 *tan* field ·····	152.6	50.4	25.0
,, 15–20 *tan* field ·····	340.1	81.6	31.6
,, more than 20 *tan* field	418.7	129.7	44.9

Note: By current assets are here meant deposits, loans, securities, cash at hand, uncollected bills minus unpaid bills and debts.

were unlucky enough to rely mainly upon vegetables and the extra rice produced could not fully cover their losses in the vegetable market.

As mentioned before, one of the most conspicuous characteristics of the 1955 farm economy was the decrease (—3.5% compared to the previous year's figure) in the extra-agricultural cash income in the farm households for the first time since the end of the war. Depression in forestry and related activities; a decrease, though slight, in wages and salaries and a decline in subsidies were the three main causes for the overall setback. The 4% increase in regular wages was not enough to cancel out the 12% loss in day labor income.

While the average farm cash income rose by 8.4%, cash expenditure swelled by only 1.3%. There was a great difference, however, between spending in the first and second terms. While in the first half, there was actually a 2.1% decrease in expenditures, there was a 4.4% growth in the second half. When the 0.2% hike in consumption of daily necessaries is taken into account, the real increase in farm expenditures was only 1.1%. Compared to the 11% increase in 1953 and 6.3% growth in 1954, the 1955 figure was astonishingly small. Naturally, the farm household budget was well in the black, especially in Hokkaido, Sanin, Inland Sea coasts, Tohoku and Kitakanto districts where deposits more than doubled. But in such districts as Hokuriku and Tokai, where expenditure rose rather sharply, deposits increased only 7% and 2% respectively.

Of the average cash surplus in the farm households of ¥590,000, about ¥230,000 was invested in buildings, real estates, farm equipment, animals and other agricultural goods, while more than 60% of the remaining ¥360,000 flowed into bank vaults.

This increase in current assets, mostly latent in the last part of 1955, has begun to show up in the form of accelerated farm household expenditures since the start of 1956. For example, there was an 18% rise in household spending in February, 1956 over the corresponding month in 1955, although the January growth was only 2.3%. Expenditures for fertilizers are still higher with the January figure standing at 21%, while February reached 22%. There was an amazing 70% increase in farm equipment investment in February, 1956 over the same month in 1955. Most of this outlay went into the purchase of automatic cultivators. The expansion in the sales of smaller types suggests that those machines are now coming within the reach of smaller farmers. The lessened burden of farm taxes has also helped induce farmers to deposit more funds in the banks.

Forest Exploitation & Conservation

SEVEN years have gone by since the tree conservation movement was launched. Has it had any effect on Japan's forestry resources? We regret to have to say that the aim has not been achieved. Of course, both government and private efforts have been directed to afforestation, and the some 880,000 *Chobu* (*Chobu*=2.45 acres) of forest land denuded during and after the war began to be replanted from about 1951. It is therefore predicted that all felled and untended timberland will disappear during the current fiscal year (ending March 31, 1957). Nevertheless, because demands for pulpwood and other industrial purposes are growing year by year, and because importation tends to be unsteady, the situation now is that requirements are barely met by the felling of domestic stands. Consequently, harvesting of lumber is going on at a faster rate than growth.

Although it is difficult to obtain accurate figures on forest resources and lumber, the Ministry of Agriculture and Forestry estimates that the overall demand for lumber in 1955 stood at between 100 million *Koku* (*Koku*=0.273 m^3) and 150 million *Koku*, certainly not less than 120 million *Koku*. Since import of lumber totalled only 7 million *Koku*, it can be said that so far as lumber is concerned Japan is on a self-supporting basis. In addition to the lumber and pulpwood requirements, Japan's forests provide, it is estimated, about 120 million *Koku* in firewood and charcoal. Currently, some 80 per cent of the lumber supply comes from privately owned forest land; and with the felling rate at 2.8 times the growth rate, it is glaringly obvious that over-cutting is going on. With nothing done about

this situation, not only will Japan's valuable forest resources ultimately disappear, but the denuding of timber lands will have serious effect upon flood and waterways control. What then should be done?

One obvious solution would be to cut back on the use of forest products, particularly lumber. This, however, would not only be a negative approach, but almost impossible with industrial advancement at its present stage. Consequently, while taking the necessary action to meet growing demands measures will have to be formulated for expansion and consolidation of forestry resources. Needless to say, there have been numerous suggestions and recommendations in this connection from both official and private quarters; and quite a few of them have been adopted as government policy. In summary, these can be condensed into the four items listed below.

1) Granted that the demand for lumber is on the uptrend, rational and efficient use should reduce the encroachment on available resources.

2) Attempt increase in lumber purchases from overseas.

3) Promote exploitation of remotely located timber stands.

4) While reforesting denuded areas, the inferior natural stands of mixed timber should be subjected to expert cultivation and improved in both yield and quality.

Now, all four of the above measures are equally important and must be undertaken simultaneously. However, since reforestation is nearing completion, and import of lumber cannot be suddenly increased, the main effort will have to be concentrated upon exploitation of remote and hitherto untapped areas.

The chief reason for this approach is that there exist fairly vast unexploited stands of virgin timber. Nationally speaking, these forests comprise about 8 million *Chobu*, one third of the total, and hold about one half (3,200 million *Koku*) of the available timber reserve. If this untapped treasure can be systematically exploited, and if reforestation is undertaken, the over-cutting of tree farms will be mitigated, while a richer source of forest products will be developed.

For this purpose, the first step will be to build logging roads. The Government, with this end in view, formulated in 1951 a plan for constructing 83,000 kilometers of logging roads and paths, mainly for providing access to privately owned stands. About one-third of the mileage comprises remote area logging roads; but as of yearend 1955 only 8.6 per cent of the total, and only 15.4 per cent of the remote area main lines had been completed. The principal cause of the delay is lack of funds. Consequently, in order to remedy this defect, the Government has adopted a new 6-year plan, involving a total of 31,000 kilometers of roads and pathways, which starts with the current fiscal year.

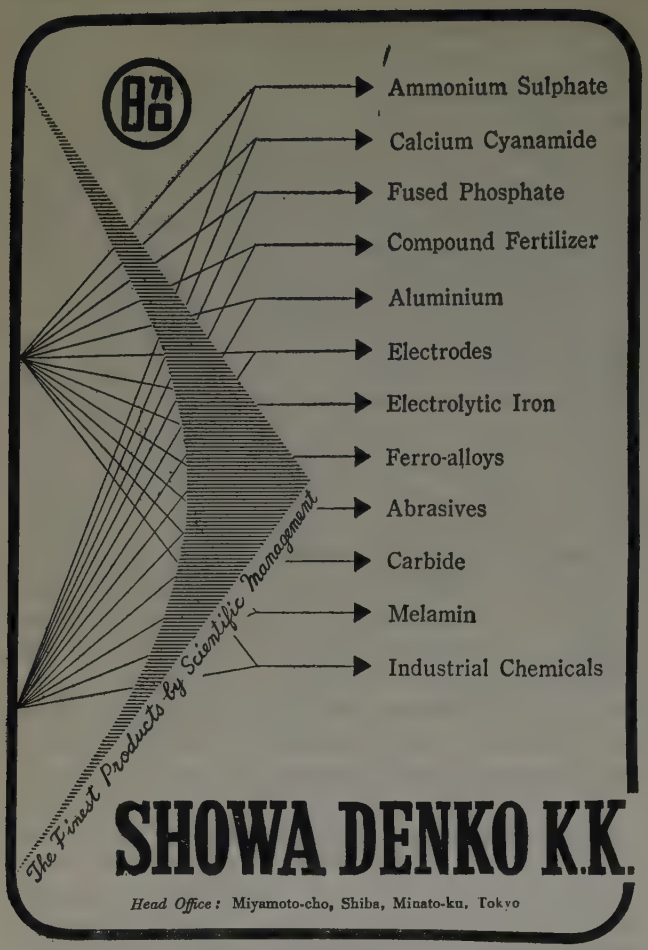
The national budget for fiscal 1956–57 now contains a General Account appropriation of ¥4,000 million, more than double the amount made available in the preceding year, for construction of logging roads for access to private forest lands. This is definite indication that the Government is putting effort into forest resources development. It is particularly desirable, from the standpoint of efficient use of limited funds, to stress construction and development of remote area logging roads.

Needless to say, remote timber stands exploitation calls not only for the building of access routes but also for systematic afforestation. There are many ways of undertaking this all-important phase of forest resources development; but the Government has submitted to the current session of the National Diet a bill for the establishment of a Forest Development Public Corporation. According to this bill the corporation will be formed with government capital, and its function will be to provide access routes for private forest lands and to undertake systematic reforestation. The areas proposed for exploitation are the Kumano River basin (Nara Prefecture), and the Tsurugi-yama area (Tokushima Prefecture), which are the most promising in reserves and in reforestation possibilities. The undertaking is scheduled to require 10 years of work, and ¥3,000 million in funds. For the first year of operation, ¥1,000 million is to be disbursed from the U.S. Farm Surplus Counterpart Fund.

Under this plan, the beneficiaries are the private operators, while the development corporation will in effect act as trustees for undertaking exploitation and afforestation work. Consequently, the corporation will ultimately be repaid by the private beneficiaries, the state, and the local (prefectural) governments for the advance outlays made on their behalf for logging road construction, while the private beneficiaries are expected to pay back to the corporation the outlays made for reforestation. These payments will be made in annual installments.

The idea of forming a government corporation to undertake the work of logging road construction is due to the difficulty of prevailing upon private business to tackle such work with speed and on a large enough scale. The Government proposal is certainly one approach; but it should be noted that for either easily accessible stands or remote virgin forests the bulk of the work will have to be undertaken by private operators. The Ministry of Agriculture and Forestry, nevertheless, has heretofore tended to favor and protect state forests. At the time of the Meiji Restoration (1867) the government took over the ownership and administration of forest lands owned by the feudal lords and the Tokugawa Shogunate, while after World War II, the holdings of the Imperial Household were also nationalized to make the state the owner of 7,430,000 *Chobu*, about one-third of the total, of Japanese forest land. Almost all this national property is administered by the National Forestry Board.

However, the National Forestry Board hoards its holdings like precious gems, and will not undertake felling in excess of a certain specific percentage. Moreover, when during the war there took place requisitioning of lumber, the private forests suffered far more than the government stands of timber. In recent years, the figures for afforestation indicate



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that as against the annual planting of 300,000 to 400,000 *Chobu* by private owners, the Forestry Board undertakes only from 40,000 to 50,000 *Chobu* of afforestation. What does this mean?

There are two possible reasons for this state of affairs. The first is that the Forestry Board, like any other government office, has too much red tape, and is therefore deficient in positiveness as it is in its ability to take efficient and businesslike action. The second is that limitations are imposed by the budget. It is believed that the same sort of inefficient administration prevails over the some 3 million *Chobu* of public forests under the jurisdiction of local governments.

We would, therefore, urge that both national and public forests be released on a much larger scale for exploitation and reforestation by private operators. True, there have been released for sale to locally situated private individuals and corporations about 138,000 *Chobu* of government forest lands in Hokkaido and Tohoku in accordance with the postwar National Forests Improvement Emergency Law. But transferring ownership of forest lands to private hands is not the only way of promoting forestry activities as private business. There are reports even that such sale of government lands is causing damage to forest resources. We therefore believe that the leasing of national and public forests to private logging operators would better serve the purpose of reforestation.

Fortunately, private exploitation and development of government and public forests is both legitimate and traditional in Japan. Considerable expanses of public forests are currently being developed by pulpwood users and others. But because with national forests the basic rule is to favor local residents little or no development is in the hands of large corporations.

Some 200,000 *Chobu* of typhoon-damaged forest areas exist in Hokkaido, but the government apparently is unable to do anything about collecting the fallen logs, felling the surviving trees, and planting saplings for a new growth. Why not let private operators undertake this work?

While urging the leasing of state and public forest lands to private operators, we do not by any means advocate cessation of government forestry operations. Apart from the basic problem of whether government or private operation is preferable, it must be noted that government forestry has a long history behind it, and that it has contributed in no small way toward conservation and flood control. It appears, however, that the organization of the National Forestry Board will have to be improved. This government agency has a dual function: administration of private forestry operations, and exploitation and management of its own holdings. With such an arrangement administration of private forestry inevitably tends to be neglected. Separation of the administrative and operational functions would be the logical solution.

Industry

Rayon Filament & Staple

RAYON goods constitute one of the main props for the export boom since last year. Though smaller in total value, their exports in 1955 increased by about 30% to ¥168 million (including rayon and spun rayon yarns and fabrics), while on the other hand cotton cloth sales suffered a decrease of nearly 10%. Thus, they became the third largest item, next only to cotton goods (to talling $254 million) and iron-steel products ($259 million). And their total far exceeded that of ships ($78 million) or the fourth largest commodity.

Especially noteworthy was the sharp gain of spun rayon cloth exports. In terms of value, spun rayon yarn and cloth sales abroad in 1955 was up 43% above the preceding year. Indications are that rayon staple will take sooner or later the place of raw silk as "the queen of Japan's export trade".

Japan Biggest Rayon Producer in World

In terms of quantity, rayon and spun rayon cloth exports in 1955 reached 859,000,000 sq. yds., closely approaching cotton cloth sales or 1,137,000,000 sq. yds. Prospects are brightening so that the yearly total in 1956 will eclipse that of cotton cloth.

Most of the increased rayon staple output has so far been earmarked for overseas sales. In the latter half of the current year, several rayon plants will newly be put into operation, so equipment capacity at the year end will be about 30% larger than a year ago. Encouraging effects certainly will be brought about to such related industries as pulp, soda and sulphur. Unconditional optimism is unwarranted, however. In order to carry out successfully the projected expansion plans, in no time has it been so important as present to secure stable markets. It is also necessary to take countermeasures for smooth acquisition of key materials, for furtherance of rayon production is still much dependent upon material supplies in spite of all the efforts in the past of the related industries to boost their production along with the development of the rayon industry. But proper market policy now appears to be as essential as anything else.

In 1955, rayon staple output totalled 537,000,000 lbs., or up 89,000,000 lbs. from 1954's. This figure far surpassing the United States' 388,000,000 lbs. and West Germany's 325,000,000 lbs., Japan became the biggest producer in the world. Since October, 1955, when workers of the big 10 cotton spinning companies went on strike, the textile market has been getting firmer. Even cotton spinners have been boosting their output, though within the framework of 12% operation curtailment. Rayon makers have been striving for greater production, particularly in the staple division, by constructing new plants and enlarging the existing ones as explained elsewhere in this survey.

Responsible for such production growth was not so much the increased consumption at home for mixing with cotton, wool and synthetic textiles and for newly-developed application of rayon staple itself as the evermounting overseas sales. As shown in Table 1, exports in 1955 comprised 34.5% of the total production for rayon staple and 40% for rayon filament.

The upward trends of both production and export trade continued into the first quarter of the current year. Rayon staple was up 23% in output and up 20% in export volume, and rayon filament up 11% and 15%, respectively.

1. RAYON PRODUCTION AND EXPORTS
(In 1,000,000 lbs.)

	Output (A)	Exports (B)	A/B (%)
Rayon Staple			
1953	358	61	17.0
1954	448	115	25.8
1955	537	185	34.5
1st quarter	124	35	28.2
2nd ,,	134	46	34.3
3rd ,,	139	49	35.3
4th ,,	139	55	39.6
1956			
1st quarter	153	42	27.5
Rayon Filament			
1953	163	57	35.1
1954	185	64	34.4
1955	195	78	40.0
1st quarter	47	15	31.9
2nd ,,	49	18	36.7
3rd ,,	49	20	40.8
4th ,,	51	25	49.0
1956			
1st quarter	52	22	42.3

Note: The figures for "exports" denote the totals of rayon staple, yarn and cloth. For the first quarter of 1956, staple is excluded.

Source: Japan Chemical Fibres Association for all the tables.

2. MAKERS' STOCKS OF RAYON STAPLE & FILAMENT
(In 1,000 lbs.)

At the end of	Rayon Staple	Rayon Filament
1952	10,564	8,278
1953	7,260	6,039
1954	8,129	13,451
1955	5,438	7,754
Mar., '56	9,955	7,578

Makers Striving for Expansion

Operating in this industry have been six rayon filament firms and 13 rayon staple producers (see Tables 3 and 4). Their capacities formerly ranged from 30 to 60 mt. per day. Stimulated by the high profitability of rayon staple business, however, these interests have all started campaigns for large-scale expansion with a view to cutting cost through mass production.

3. RAYON STAPLE CAPACITY & SCHEDULED EXPANSION BY COMPANY

(In mt. per day)

	Operable Capacity (30 Nov. '55)	Scheduled Expansion
Teikoku Rayon	53.5	15.0
Toyo Rayon	76.9	15.8
Kurashiki Rayon	42.4	20.0
Toyo Spinning	83.5	30.0
Nippon Rayon	28.7	21.3
Mitsubishi Rayon	97.1	5.3
Toho Rayon	104.3	16.7
Fuji Spinning	53.4	10.0
Nitto Spinning (Boseki)	50.0	28.0
Dai Nippon Spinning	38.6	—
Kokoku Rayon & Pulp	66.6	30.0
Kanegafuchi Spinning	74.5	60.0
Daiwa Boseki	36.0	25.0
Ohmi Kenshi Spinning	—	15.0
Nisshin Spinning	—	60.0
Total	805.4	352.1

4. VISCOSE RAYON CAPACITY SCHEDULED EXPANSION BY COMPANY

(In mt. per day)

	Operable Capacity	Scheduled Expansion
Teikoku Rayon	65	8
Toyo Rayon	53	10
Kurashiki Spinning	38	20
Toyo Spinning	25	10
Asahi Chemical Industry	52	10
Nippon Rayon	17	2
Total	250	60

Toho Rayon and Mitsubishi Rayon took the lead in this drive: last year the former enlarged its Tokushima Plant and the latter its Otake Plant to 100-mt.-a-day capacity. Kanegafuchi Spinning's plan to expand the Bofu Plant to the same scale will be finished by May, this year, and the second stage plan is under way to further enlarge this plant to 140 mt. a day by March, 1957. Indications are that Kokoku Rayon & Pulp, Toyo Spinning and Toyo Rayon will exert efforts for expansion of their daily capacities to the 100-mt. standard. Nippon Rayon, operating at 36 mt. a day in March, this year, will scale up its capacity by 10 mt. before long. Nitto Boseki's Fukuyama Plant, which is operating at 55 mt. at present, is stepping up its expansion program. Daiwa Boseki's capacity has already increased to 51 mt. from 35 mt. as of October 31 last (see Table 3) and will further rise by 10 mt. in a few months.

In addition to these expansion plans, Ohmi Kenshi Spinning and Nisshin Cotton Spinning have newly entered into the arena. Reasons for their new start are: 1) rayon staple making is so lucrative that they will be well able to make both ends meet even at their newly-built plants, 2) necessary technique is relatively simple, 3) business stability is more secure in rayon staple business than in any other textile division, and 4) these firms could not look forward to better profits if they should specialize in cotton spinning as ever before. Ohmi Kenshi Spinning's Kakogawa Plant will be put into operation before long though construction works there have been delayed due to the labor dispute. Nisshin Spinning's construction works will be started in the summer of 1956 at a 80,000-tsubo area near Hiroshima: the new plant will first be rated at 30 mt. and finally at 60 mt. a day.

As these plans are all being pushed vigorously, total capacity will increase by over 200 mt. a day by July or August, this year. From this fall to early next year, over 100 mt. more will be added. If these plans proceed on schedule, equipment capacity will grow by 30–40% in a matter of 12 months. In fact, however, it is problematical if necessary materials will be provided smoothly. And a more serious question is: Will the rayon market be as firm as at present?

Rayon filament capacity will expand in almost the same tempo. The six companies now have a total capacity of 250 mt. per day as shown in Table 4. Their expansion plans under way will add 60 mt. within the current year. Thus, it is generally expected that their total capacity will practically rise by 78 mt. a day, or over 30%, as is the case with rayon staple.

Such expansion enthusiasm can be traced to the following circumstances: 1) profit is very high for rayon filament, 2) Kurashiki Rayon's cooperation with Chuo Sen-i for establishment of a new firm called Tamashima Rayon, with capacity at 20 mt. per day, has stimulated other interests, and 3) as business conditions have turned for the worse, idle plants for high-tenacity rayon have been transferred increasingly for viscose rayon.

MITI Warns Against Reckless Boost

From January through March, 1956, rayon staple output totalled 153,000,000 lbs as listed in Table 1. At this rate, the yearly total will reach 612,000,000 lbs. This much is not in the least such a big amount as will cause serious fear of over-supply. It must be emphasized, however, that, the expansion plans having been completed, almost all the new and enlarged plants will start operating at full capacity in the latter half of 1956. Is there no fear of over-production even after that? Is there no need of adjusting the relations between the private expansion plans and the Economic Planning Board's six-year economic plan?

As for rayon staple, the production goals set by the 14 companies amount to as much as 759,000,000 lbs. for 1956. This figure, be it noted, is almost the same as the final goal for 1960 of the government's six-year economic plan. As for rayon filament, too, the scheduled 1956 output is nearly as big as the 1960 official target.

In this light, the Ministry of International Trade & Industry has advised rayon makers to restrict in some way or other their reckless production boost. The latter have got together and discussed counter-measures for curtailment. But they have failed in reaching an agreement about the standard for production cut and finally decided to slacken off the tempo of expansion in the first half so that 1956 output may be restricted to 650,000,000 lbs. About production restriction in the second half, a decision still remains to be made later.

Future Outlook Not too Bright

The expansion rivalry will not slow down for some time to come as the rayon market is as firm as ever in spite of the ever-growing production. Even if the market should get stagnant, rayon firms would carry through their plans under way. But prospects are not too rosy for them.

Two things must be considered. First: Will necessary materials be supplied smoothly along with the steady growth of rayon production? As for such key materials as pulp, caustic soda and sulphuric acid, a seller's market is developing because demand is picking up in line with the increase of rayon output. For making 1,000,000,000 lbs. of rayon a year as projected by rayon companies, 1,170,000,000 lbs. of pulp would be required—a huge amount which cannot be produced at home. Thus far unable to curb the expansion projects of rayon firms, MITI is now planning to restrict rayon production indirectly through control of the foreign exchange allocation for pulp and sulphur imports.

The second question is: Will rayon exports be as brisk as ever? European products reportedly have been making inroads in the market in China hitherto enjoyed almost exclusively by Japanese rayon producers. It is doubtful that sales to West Germany, Africa, England, the Netherlands, etc. will continue briskly.

THE LEADING PRODUCER OF
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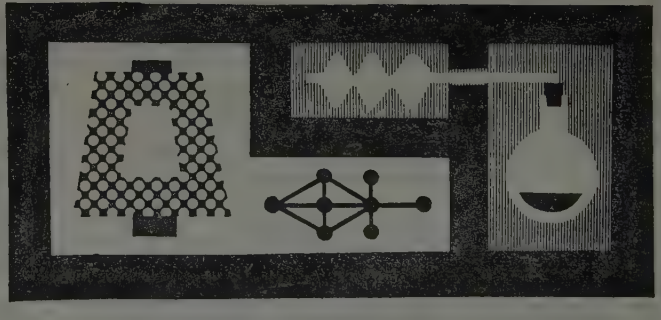
IN JAPAN



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"MADAME BUTTERFLY"
Rayon Filament Yarns
"SUIKO"
Rayon Staple & Spun Rayon Yarns
"EAGLE & BELL"
Rayon Fabrics & Spun Rayon Fabrics

NYLON

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Nylon Filament Yarns, Nylon Staple, Nylon Bristles, Nylon Racket Strings & Nylon Fabrics
"TOYOLAN"
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Kaleidoscope

Shipbuilding Program:—The 12th shipbuilding program as announced by the Ministry of Transportation on May 1 calls for the construction of 26 ships aggregating 251,922 gross tons by 23 shipping companies during fiscal 1956. Upon the completion of this program (with the additional construction included), the commercial fleet of Japan as of the end of fiscal 1956 will grow to about 4,000,000 gross tons, corresponding to about 90 per cent of the size of the Japanese commercial fleet as of the end of 1937 and 66 percent of the peak year of 1941.

Production:—According to the Ministry of International Trade and Industry, the average production index for fiscal 1955 (from April, 1955 to March, 1956) stood at 207.5 (based on the 1950 average as 100), surpassing the fiscal 1954 average of 185.0 by 12.2 per cent. This was a noteworthy gain as the 1954 increase over 1953 stood at only 4.5 per cent. Active exports and brisk domestic consumer demands were the two predominating stimulants, MITI revealed. With equipment investments growing particularly active since the start of fiscal 1956, MITI expects that this year's production will take another big jump to a new postwar high. The MITI survey gives the following picture: Up more than 20% over fiscal 1954—steel ships, secondary textile products, pharmaceuticals, chemical fibres, petroleum products, crude oil, natural gas; Up more than 10%—Primary steel products, pulp, leather goods, paper, soda and kindred products, daily necessities, nonferrous metal manufactures, precision machines, coke; Up less than 10%—Textiles, nonferrous metals, electric machines, rubber goods, secondary steel products, stone and clay products, chemical fertilizers, metal ores, tobacco; Down from fiscal 1954 equivalents—foodstuffs, rolling stock, universal machines, transportation machines.

Cycle Exports:—According to the Japan Bicycle Manufacturers Association, exports of bicycles during calendar 1955 totalled $8,500,000 in 480,000 machines, up 30% in value and 40% in quantity over calendar 1954. The exports, however, amounted to only less than 20% of the domestic production. The 1956 export goal is put at over $10,000,000.

Coal Output:—The fiscal 1956 coal production goal was placed at 46,200,000 metric tons, a gain of some 500,000 metric tons over the original target of 45,500,000 metric tons. This is some 9% over the 1954 production and neared the 1951 output of 46,490,000 metric tons, the past postwar high.

Pharmaceuticals:—Japan's production of pharmaceuticals, including patent medicines, in calendar 1955 totalled ¥87,466 million, some ¥8,998 million larger than the past peak in 1954. Exports of pharmaceuticals, however, failed to make a corresponding gain, amounting to ¥2,885 million, some ¥311 million less than 1954. Imports also dropped by ¥83 million from 1954 to ¥3,509 million.

Demand for Power:—According to the Electric Power Federation (composed of the nine regional power supply companies), the national demand for electric power during fiscal 1955 (ended March, this year) registered a 11.0% gain over fiscal 1954. The Federation revealed that the consumption for lighting and motive power gained by 11.2%. The hike was particularly noteworthy in the consumption by key industries which rose 12.3% and the gain was more energetic in the Tohoku and Hokuriku districts. In detail, the consumption for lighting totalled 7,700,000,000 kilowatts, up 5.3% over fiscal 1954 while the use for motive power (by large and small industries as well as business establisnments) reached 32,260,000,000 kilowatts, up 12.3%. The past increasing rate stood at 8.8% for fiscal 1952 over 1953 and 12.5% for 1953 over 1952 and 6.2% for 1954 over 1953.

Savings Up:—The Savings Promotion Headquarters of the Bank of Japan on April 30 announced that deposits with monetary institutitions throughout the nation increased ¥118,400 million in March. Thus, the expansion of deposits in fiscal 1955 (ending March) totalled ¥1,007,000 million (more than double the corresponding balance a year ago), and far in excess of the original savings target of ¥800,000 million set by the headquarters. Export animation and bumper crops were the two major boosters. As a result, the outstanding balance of deposits as of the end of March, 1956 stood at ¥5,422,900 million. Banks handling funds associated with export trade registered the largest increase of ¥601,100 million, some 40% larger than the gain of %417,300 million a year ago.

State Property:—The amount of state properties as at the end of March, this year stood at ¥1,430,356 million at the book value, according to the Ministry of Finance. This will reach ¥2,200,000 million at the current commodity prices. The total is divided into ¥766,678 million (at the book value) of administrative properties (such as equipment for administrative uses, public utilities facilities, the Imperial estate, etc.) and ¥663,678 million in common properties. State forests predominate among administrative properties while valuable securities such as JAL shares tower high among common properties. Details in million yen at the book value are as follows: Administrative properties; land-50,133, Trees-A (not for cutting purposes)-4,869, Trees-B (for cutting)-551,387, Bamboo-7, Buildings-89,411, Structures-50,129, Machinery and tools-8,513, Steamers-9,915, Sailing vessels-16, Other ships-2,108, Surface and mining rights-3, and special rights such as copyrights-185. Common properties; Land-5,577, Trees-A-166, Trees-B-869, Bamboo-1, Buildings-18,808, Structures-21,476, Machinery and tools-1,086, Steamers- 19,106, Sailing ships-1, Other ships-44, Surface and mining rights-98, and valuable securities, etc.-605,440.

Textiles:—The latest rally of textiles has been noteworthy, except for hemp and raw silk, although the textile boom is somewhat belated as compared with the pickup of heavy industries such as iron-steel, nonferrous metals, shipping and shipbuilding. The latest rise of textile industries, however, has been centered principally around chemical and synthetic fibres like rayon filament yarn and spun rayon, as equipment investments in those branches have become exceedingly active. Among such chemical fibres, spun rayon has been making particular headway with the possibility of overinvestments.

Rains Come:—With the mischievous rainy season just around the corner, authorities including the Ministry of Construction and prefectural governments, are busy giving finishing touches to their river conservations undertakings. However, only 30% of the "dangerous points" are covered by the plans, with the people living in the remaining "dangerous" spots still threatened by overflowing.

National Railways Electrification

By Shinji Sogo

THE Japanese National Railways (incorporated) is still confronted with a number of problems, the principal ones among these being: maintenance of safety, expansion of haulage capacity, expansion of urban and suburban commuter traffic handling capacity, demarcation of spheres of operation in relation to other means of transportation, modernization of equipment, and streamlining of administration and operations. These problems actually are the cumulative and compounded result of the many problems which have been faced by the national railway system since before the war, and they are invariably closely inter-related. Moreover, because huge sums of money are necessary to solve any one of the difficulties they have been left neglected to become ever more hard to settle. The situation being such, it is obvious that unless action is promptly taken to work out practical solutions, the matter will become increasingly messy and unmanageable.

Another aspect of the overall situation is that solution of some of the problems will undoubtedly result in better earnings, while others may bring about the reverse. Where it can be definitely foreseen that costs will be cut and wastes can be reduced it is possible to undertake financing by means of borrowings, such as sale of debentures, which necessitate payment of interest. But where solving of a problem does not promise cost or waste reduction the funds required must be drawn from own earnings or reserves, without dependence on outside capital, or the requirements must be met by additional investments by the Government. Pursuing this line of logic, it becomes evident that for such matters as replacement of obsolescent facilities and equipment, and mitigation of rush-hour overcrowding the required funds must come out of earnings and reserves, while for electrification and improvement of administrative and operational efficiency it should be possible to fall back on borrowings.

Haulage Capacity of the National Railways

Railroad operation calls for huge investments in such things as trackage, structures, facilities, rolling stock, and others. Consequently, in order to streamline operations it is necessary to obtain the utmost possible efficiency out of these investments. In other words the essential thing is to raise as high as possible the rate of capital turnover; and it is for this reason that speed, signals, and brakes are considered to be the critical factors of any rail operation. It is also for this reason that in Switzerland, a mountainous country, the railways are almost 100 percent electrified.

Among the problems facing the Japanese National Railways, the mintenance of safety is a responsibility that must on no account be neglected. Consequently, everything is being done to increase and maintain safety by channeling funds to this and other essential but non-profit uses; and since earnings are not enough to cover these outlays, part of the borrowings is also being used. Now, although this is, at present, unavoidable, it cannot be continued for long. Borrowed capital should be used for such projects as electrification, Dieselization, and other efficiency-raising actions that will contribute directly toward the increase of earnings. Any project that promises to pay should be undertaken promptly even with borrowed money in order to help put the national railways system, as a whole, on a paying basis.

Since the end of World War II hostilities, the national railways system has been subjected to annual increases in both passenger and freight traffics. In fiscal 1954 the volume stood at 360 percent in passengers and 250 percent in freight of the 1936 level. But the most notable phenomenon of the postwar period is the tremendous progress made by motor vehicle transport. Although from ten to twenty years behind the advanced nations of the West in this respect the change in pattern cannot be ignored; and it is manifest that in overland transportation both rail and highway must supplement each other, with the utmost efficiency in their respective fields, to serve the economic requirements of the nation.

The domestic freight haulage estimates made when formulating the Government's five-year plan

FREIGHT VOLUME ESTIMATES ACCORDING TO THE 5-YEAR PLAN FOR ECONOMIC SELF-SUPPORT
(Tonnage and ton-kilometers in millions)

	Fiscal 1954–55				Fiscal 1960–61				Comparison
	Tonnage	%*	Ton-Km.	%	Tonnage	%*	Ton-Km.	%	(%)
National Railways	156	100	39,800	56	182	100	46,400	53	117
Private Railways	33	21	700	1	35	19	700	1	108
Motor Vehicles	493	316	7,400	11	665	365	12,000	14	162
Coastal Steamships	22	14	1,930	27	25	14	23,700	27	123
Coastal Sail & Auxiliary Vessels	30	19	3,800	5	33	18	4,300	5	115
Total	—	—	70,900	100	—	—	87,500	100	123

Note: *Percentages with JNR tonnage at 100.

for economic self-support are as shown in Table 1. It will be noted that motor vehicles are expected to carry more than three times in tonnage than will be hauled over rail; but when distances are considered, the national railways system was expected in fiscal 1954–55 to carry 56 percent of the total. This is roughly five times the amount carried by motor vehicles. Consequently, even when allowing for rapid growth of motor transport the national railways in fiscal 1960–61 will still be handling more than one half the total volume.

It is expected that for haulage over long distances of heavy items, the national railways will continue to play a predominant role. As for the return to prewar ascendancy of coastal steam and motor ships, it is thought unlikely when considering the freight rates and other factors.

Consequently, for a considerable time to come the national railways system can be expected to play the principal part among the various modes of transportation contributing to the nation's economic activities. However, the Japanese National Railways is faced with grave operational difficulties, the outcome of obsolescence in rolling stock, equipment and facilities that were overworked and improperly maintained during and for some time after the war, and the problem of meeting the vastly increased traffic in both passengers and freight. Because it has been unable to increase rolling stock and facilities to obtain excess capacity it has lost the flexibility so necessary for operation as a transportation system. Because it has no extra capacity in its mainline services it is unable to operate non-scheduled runs; and because of shortage of freight cars, the haulage of freight tends to become clogged. The piling up of goods at stations and terminals has come to be an annual affair during the autumn-winter rush season. The population growth of the bigger urban centers, and the increasingly longer commuting distances are outpacing the increases in capacity of the morning and evening commuter traffic facilities.

The mission of transportation systems should be to be able to meet at any time the requirements of the users. Unless the necessary raw materials can be brought in and the products hauled out without delay much cannot be expected of the effort to strengthen production and promote growth of the economy. Regrettable though it is, our national railway system is at present unable to undertake its mission in any complete way, and it cannot avoid being criticized for impeding in no small way the progress of Japan's economy.

Currently, the National Railways owns about 5,000 steam locomotives. Of these about one-half are obsolescent vehicles of more than 25 years of age. Since there have been newly built only 400 or so steam locomotives after the war the bulk of the existing locomotives will become inoperable after ten or fifteen years. At least the class-A locomotives for mainline use will have to be promptly considered so that systematic replacement can be undertaken. In addition, it will be necessary to think of increases in order to meet the requirements of heavier traffic. There arises of course the question of whether to utilize the near-obsolete steam locomotive, or to build new types of traction equipment.

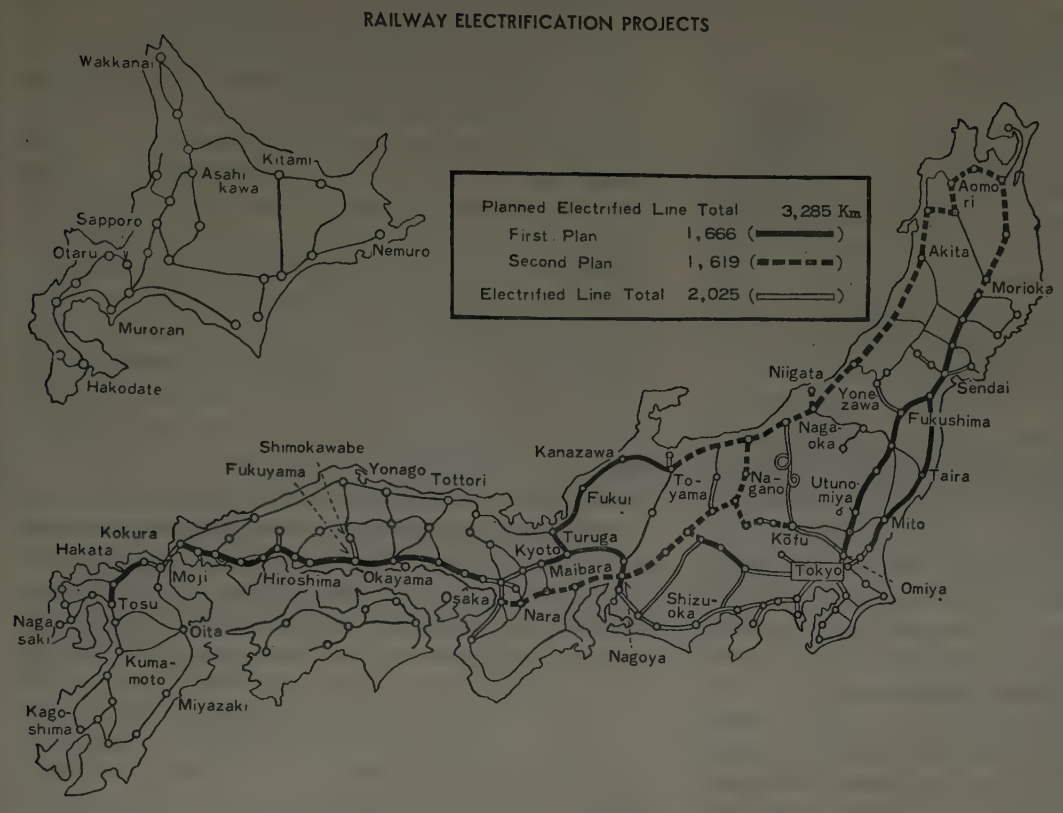
When this problem is faced, the question becomes a more fundamental one concerning the future of Japanese railways operation and the revolutionary shift to some form of motive power other than steam. As one method of bringing about this modernization is the proposal for electrification.

Change in Type of Motive Power and Electrification

Below is given a comparison of the cost of power for hauling one ton of freight over a distance of 1,000 kilometers (cost of fuel and electric power only, based on prices of the first half of fiscal 1955–56).

Steam Locomotive	¥471
Electric Locomotive	¥115
Diesel-Electric Locomotive	¥203
Motor Truck (Diesel-powered)	¥521

There is only a slight difference between steam locomotive and motor truck. Motor trucks do not require fixed installations such as trackage and stations; and although steam locomotives are capable of hauling larger quantities of freight with far



steam locomotives? From the standpoint of conservation of the nation's energy resources, and that of cheaper haulage of freight and passengers, rail traction should depend in future on electricity or Diesel power; and coal should be utilized as chemical industry raw material and for other purposes where high yields can be expected.

Electrification of trackage calls for considerable outlays on installations and overhead equipment. Diesel-electric locomotives do not require these facilities but they are twice as costly as electric locomotives of the same performance rating. Consequently, on mainlines where traffic is heavy it is profitable to undertake electrification, while for sections where traffic is relatively light the Diesel locomotive or Diesel railcar which is equipped with a prime mover of small unit provides the most economical solution. It is readily understandable, therefore, that Japan must, during the ten or fifteen years to come, undertake widespread electrification and dieselization of her railways, and give up replacement of outworn steam locomotives with new equipment of the same type.

Currently, the Japanese National Railways operates some 20,000 kilometers of lines. Of these, some 2,000 kilometers are electrified. From actual past experience, and on the basis of information from abroad, it is known that increases in both speed and haulage capacity are possible by electrification. The improvement is particularly notable in the case of heavy loads. Not only are higher speeds possible, but the number of freight trains run over a given section of track can be increased because of higher tractive power which enables quicker acceleration and good speed on heavy gradients. There are, in addition, countless other advantages of electric traction.

less manpower, they are obviously on the way out when the cheaper methods, such as Diesel and electric locomotives are cited for comparison.

Of the calorific content of coal the power utilized by steam locomotives for traction comes to but 5 percent. Modern thermal electric power stations utilize more than 30 percent of the energy contained in coal. Consequently, if the electric power thus generated is used for hauling trains, the overall thermal efficiency will be more than 20 percent even when allowing for losses in transmission. This is four times the efficiency obtained in coal-burning steam locomotives.

The national railways system is one of the biggest single consumers of coal in Japan. About 5 million tons, some 10 percent or more of the annual production, are used by the national railways. Consequently, for the coal producers of the country, the national railways is a far better customer than the electric power industry whose requirements fluctuate widely depending upon availability of water power. But it must also be recalled that the poor quality of coal during and after the war so lowered the efficiency of steam locomotives and so increased breakdowns that the rail transport system bordered on paralysis.

Because the steam locomotive must, within extremely limited space, generate high power and move at high speeds, it must be fueled with high quality coal. The best coal for locomotive use is non-caking, medium lump, long flame, bituminous coal of from 6,000 to 7,000 calory rating. What could be more wasteful than using such high-grade coal in such low efficiency power generators as

Electrification of Truck Lines

In order to overcome the handicaps imposed by the postwar shortages and inferiority of coal, the National Railways completed electrification of the Joetsu main line, which had constituted a serious bottleneck, and began wiring extensive sections of

the Tokaido main line. Because of the sudden surge in traffic following upon the outbreak of fighting in Korea, and because of the need to modernize countless other facilities, funds ran low preventing the electrification of the Tokaido line from progressing as originally scheduled. The mileage of electrified track, covered by projects started since the war, now totals 641 kilometers, including the Tokaido sections which, by July last year, were extended westward as far as Maibara. The funds outlayed for this work total ¥25,900 million (¥14,500 million for track facilities, and ¥11,400 million for 300 electric locomotives) which is estimated, at the present stage, to save each year about 710,000 tons of coal, reducing the annual cost of power by about ¥3,500 million.

Last autumn there was formed within the National Railways organization a special committee on electrification, which is charged with study of new projects on the basis of economic requirements and available technological resources. The conclusion reached by this committee is that with the ultimate target set at electrification of about 10,000 kilometers of trackage, about one-half of the total operated, prompt action should be taken in regard to about 3,300 kilometers of main lines, which will immediately yield the beneficial results of electrical traction. The accompanying map shows the lines to be electrified in this plan. The total length will reach 3,285 kilometers.

The plan, which is scheduled for completion in fiscal 1965–66, is based on the expected traffic volume of that year, some 30 percent more than at present. However, in order to alleviate the present crowding of trains, the haulage capacity will be upped some 40 percent.

It is further assumed that the price of coal will remain at the level of the first half of fiscal 1955–56, while the cost of electric power will go up 5 percent.

The estimated funds requirements for this electrification program are:

For track and other facilities	¥78,000 million
For 1,269 electric locomotives	¥78,100 million
For modification of related facilities (tunnels, &c.)	¥26,000 million
Total	¥182,100 million

If this work is not undertaken, the consumption of coal by the National Railways, currently at 4,850,000 tons per annum, will increase to 6,300,000 tons by fiscal 1965–66. If the electrification program is completed as planned, there will be a saving of about 2,600,000 tons of coal from fiscal 1965–66, with the consumption in that year reduced to about 3,700,000 tons.

The electric power called for by the plan is estimated at 234,000 KVA. This will raise the current requirement of 135,000 KVA to a total of about 370,000 KVA. This is about 3 percent of the expected supply of electricity during the dry season in fiscal 1965–66. If the total electric power consumed, at 1,360 million kilowatt-hours, were to be generated thermally, there would still be a saving resulting from reduction of coal requirements to one-fourth the amount needed by steam locomotives. Moreover, because main line train operation is around the clock, the load on electric power sources is extremely uniform; and it is expected that since the railway will be an important night-time, non-peak-load customer it will be able to purchase power at special rates from private suppliers of electricity.

Completion of this program is expected to result in annual savings for the National Railways in the amount of some ¥9,500 million in fiscal 1965–66, after allowing for maintenance and depreciation of facilities (not counting the additional earnings resulting from increased haulage capacity).

Financing of the Project

The National Railways, with the rapidly mounting volume of traffic in and near the large urban centers, and along the main lines, is enjoying in these areas extremely high payloads. But at the same time, the passengers and freight consignors of these areas are being made to pay, in poor service received, for the many miles of unprofitable lines operated. By this process of leveling out, the Japanese National Railways has come to be world-renowned for punctual and efficient operation although it charges only about one-half the fare and freight rates of railroads in the more advanced nations of the West.

The National Railways, therefore, is unable to lay aside enough each year to cover depreciation of its assets; so replacement of outworn equipment has to be done on the strength of borrowings. Early this year, the National Railways Operations Investigation Commission submitted a recommendation to the Minister of Transportation, urging adjustment of fares and freight charges to permit adequate amortization.

If enough can be set aside from earnings to cover depreciation, it would become possible, without borrowing, to undertake the construction of electric locomotives and the modification of tunnels and other facilities in connection with the electrification program. These outlays should, normally, be regarded as replacement of over-age steam locomotives and other obsolescent equipment and facilities.

Consequently, the new capital outlays called for by electrification should be limited to overhead wire installation, power substations, facilities for electric locomotive servicing and maintenance, and

other completely new equipment; and to cover these it would not be unreasonable to obtain funds from outside. Since the electrification program will result in more efficient utilization of energy resources, both coal and electricity, in increased haulage capacity, and in greatly improved service, the contribution toward the national economy will be of great magnitude. Therefore, it should not be difficult to raise the capital required out of fiscal sources, including the government subsidy to electric power development, or in the form of long-term, low-interest loans from the Japan Development Bank.

The new capital required, assuming that normal depreciation is adequately covered out of earnings, amounts to some ¥78,000 million. If the electrification program is split into two periods, the first running from fiscal 1956–57 through fiscal 1960–61, and the second for the five years ending with fiscal 1965–66, the ¥78,000 million borrowed at 7 percent per annum could, after no repayment for the first five years, be cleared off in 12 years in the following manner:

	Invested Amount (¥ million)	Cost Reductions (¥ million)	Comparison (%)
1st Period (fiscal 1960–61)	42,869	5,242	12.0
2nd Period (fiscal 1965–66)	32,954	3,285	10.0
Increment, 1st period (fiscal 1965–66)	1,203	965	—
Total	78,026	9,492	12.2

Today, more than ten years after the surrender, the National Railways is about to undergo a rebirth and transformation to a service that will offer to users the modern conveniences of speed, comfort, safety, and dependability. The first step in this direction will be electrification of the main lines; and to this end preparations are already under way with the necessary appropriations made in the budget for fiscal 1956–57.

As for the future electrification projects, the plan is to use alternating current of appropriate frequency. This shift from direct to alternating current has been under careful study during the past two years, and the results are extremely promising. If the use of alternating current becomes fully practicable, then the value of electrification will be further enhanced.

The electrification formula, needless to say, is of utmost importance in connection with other projects such as Dieselization, technological co-operation for development of rail facilities in Asia and Africa, and promotion of export of rolling stock and other equipment; and once the problem of financing is overcome it is expected that Japan's railway system will make astounding progress.

(*The writer is president of the Japanese National Railways*)

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Glimpses of Japanese Culture

Some Remarks About Oriental Medicine

By Masaru Osawa, M.D.

The oriental medicine developed in ancient time in China, and has already a history of over 4 thousand years. In Japan, it has been studied and experienced since 1300. Therefore, oriental medicine has the characteristic theories and interesting methods for treatment of diseases. But in the real view point is is quite different from modern experimental medicine. Consequently, modern scientists are liable to neglect its real value. The idea of the oriental medicine is more meditative. The immense number of drugs are described in ancient time (over 2,000 years B.C.). The acupuncture and the moxibustion were simultaneously popularized among Chinese people. These methods are still widely used in the eastern area of Asia. The moxibustion was imported into Japan in the Asuka Dynasty (1,300 years before) via Korea together with the acupuncture and numerous other drugs.

The Japanese people has strong attachment for the moxibustion. Several kinds of diseases, especially some chronic diseases (for example, neuralgia, rheumatism, lumbago, bronchial asthma, disorders of digestive organs and so on) can be often healed by this simple method without any harmful sideaction. Scientific studies on moxibustion have been made by Japanese physicians. Due to the fact that the characteristics of oriental medicine are hardly explained fully in such a short description, I would like to tell some details of the moxibustion studies made by Dr. Shimetaro Hara and by my colleagues. Dr. Hara perceived that the moxibustion is a small burn performed on a special point of the skin. It is a generally acknowledged fact that some active principle is produced by the burned tissueprotein. Of course the large quantity of such principle so-called burn toxin, can cause the death of animal, but some beneficial actions can be expected by small dose of burn toxin.

Dr. Hara ascertained by his careful animal test many interesting effects of moxibustion. The leucocytosis, the increasing of phagocytosis index and immune body production can be outstandingly improved by moxibustion treatment. His over 30 years long clinical experience suggested that several chronic diseases, particularly, allergic diseases have been also favorably influenced by continuous treatment. The careful application of moxibustion has showed good results against tuberculous affections. His scientific studies and clinical experiences are fully described in his recent work (The Modern Moxibustion-studies, published in 1956).

In the pharmacological department at the medical school of the former Seoul University, where I was a professor, the numerous essential researches on the moxibustion have been performed by my many colleagues under my direction. In our opinion, the burntoxinlike substance can be produced not only in burn, but in cases of injuries of tissue caused by several procedures. Such substance can be also obtained through freezing of tissue, or its injuring by corrosive substances and ultraviolet or roentgen irradiation. Therefore, I have proposed to call this substance by the name of "Histotoxin," since then the "Histotoxin" is widely used in Japan. The experimental arterio sclerosis of rabbits caused by continuous feeding either with lanoline with excess dose of vitamin-D can be healed by continuous injections of the histotoxin. Histotoxin has protecting action against the arising of such like sclerosis. Furthermore, the antiallergic effect of histotoxin is outstanding too. The production of immune body can be accelerated by histotoxin. The increasing of phagocytosis index of leucocyte and the remark-leucocytosis have been observed too. As the moxibustion has the healing action on wound, histotoxin effect on wound has been surely tested by animal experiments. Thus, the pharmacological action of moxibustion can be brought back without any contradiction to histotoxin.

Histotoxin injection, called as "Moxal" invented by myself has been widely used in Japan by many clinicians these 20 years.

The Moxal injection has no considerable side action and can be intravenously or intramusculary used without fear. Through immense number of clinical experiences, the following effects can be assured:

1. Antiallergic action (against some skin diseases, similarly against bronchial asthma and neuralgia).
2. Antiphlogistic actions (against some inflammatory diseases of several organs or tissues).
3. Protecting or healing effect on arteriosclerosis and hypertension.
4. Antishematic action.
5. Insomnia.
6. Promoting action against disorders of digestive functions (for instance against obstinate anorexia).

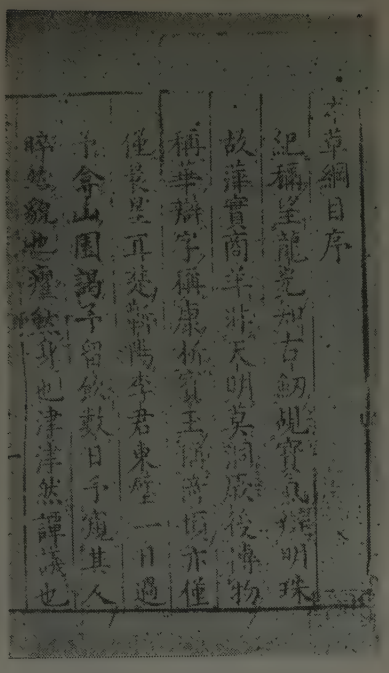
Thus, the histotoxin has the similar indications to those of moxibustion. However, the distinct difference must be recognized between histotoxin treatment and moxibustion. The moxibustion is always carried out in a particular point of the skin surface, which keeps in touch with some organ. This correlation is called "meridian system." As above mentioned, the moxibustion must be based upon the meridian system. Contrarily, the histotoxin treatment also can be freely performed. This important difference is due to the quantitative difference of histotoxin. If a sufficient dose of histotoxin is used, the meridian system is not absolutely necessary. According to my recent study, the histotoxin can be administered by oral application, because it is not destroyed by proteolytic enzym. Therefore, the histotoxin can be taken as a tablet or powder. Of course, the oral administration is more convenient than injection, still more than moxibustion. At all events, it can be said that the moxibustion is a good scientific treatment.

The acupuncture is very interesting and effective treatment against several diseases. Especially, the painful diseases (for instance, neuralgic rheumatism and arthropathy) can be treated by acupuncture with good results.

The theory of it is very difficult to understand. In this case, unless the meridian system of the body is not entirely understood, a complete performance of acupuncture seems impossible. Fortunately, however, we have a good reference book, written by Dr. Yoshio Nagahama (Studies on Meridian System in Japanese). The acupuncture method prevails not only in Japan, but in France and Germany since these last 10 years.

Especially, the French people have a peculiar attachment for this treatment. Many experimental, clinical and literaric studies have been reported in Germany too. The drugs used

in the oriental area are peculiar and worth mentioning. The immense number of drugs are described in the famous Chinese book of Materia medica, Honzokomoku published in 1590. The descriptions of actions of drugs are generally exact and scientific although some mysterious drugs can be found among them.



A Page out of "Honzokomoku" First Edition in 1590

The root of Panax Ginseng is highly esteemed and popular as a sacred drug. It is widely believed by people in the eastern area of Asia and that its life-saving action can be possible sometimes in cases of several serious hectic diseases. In spite of its several mystical actions there are only few scientific evidences. Dr. Masayuki Yamada, one of my collaborators, recently provedt hat the outstanding antifatigue action of this drug can be seen by the oral administration of Ginseng. The antifatigue action has been carefully tested by Motosawa's flicker-method through human experiments. At the same time he announced that the raw extract of Ginseng root has the interesting stimulating action on the sexual cycle of female mice, while the pure panaquilor, the main element of the drug, has no such effect. Therefore, I would like to say that the chemical analysis always does not only necessarily fit for studies on raw material, but the real effective substance is apt to be lost during purifying process. Mr. Yamada proved furthermore that the raw Ginseng-extract has an improving effect on liver function of rabbit and causes the increasing of leucocytes. The promotion of phagocytosis-index has been seen too. Thus, the effectiveness of Ginseng can be clarified by his studies though not completely. Dr. Dorsch recently suggested its tonic action on the central nervous system, especially on brain function.

Ginseng is now mainly cultivated in Korea (in the area along the famous 38° line) and in Japan (in Nagano, Fukushima and Shimane-prefectures). A remarkable amount of Japanese Ginseng is now exported to the Chinese colonies in eastern Asia.

Garlic and seed of Coix lachryma-Jobi, a special cereal, are also interesting drugs. Their effective elements are still unknown as Ginseng root. However, both drugs are widely used among many folks.

Lachryma-seed was pharmacologically tested by Dr. Motoo Terasaka (professor of pharmacology in Tohoku University in Sendai). It is a well known fact since ancient time that Lacryma-seed has a selective effect on wart (Verruca vulgaris). But the genesis of this action is quite impossible to explain by the present science. Nevertheless, it is a real fact. Routine Verruca can gradually disappear by its continuous oral administration. Such like effect can never be seen besides this dru.g According to the literatures, it has many beneficial action on the vital functions of several important organs. Garlic is also regarded as a strong tonic among Korean and Chinese people. A newly prepared garlic sample by Sakamoto has no offensive odor and sufficient effectiveness. Of course, Lachryma-seed and garlic have no notable side actions and toxicity.

As above cited many interesting details will be found in every section of oriental medicine by further studies.

As addendum, I would like to tell of the tales of some mysterious drug actions in the Orient. The people appreciated Ginseng as a sacred remedy. Especially, in China and Korea Ginseng is used in almost every severe case. Furthermore, it is generally believed that wild Ginseng is far superior to cultivated. But wild Ginseng could be rarely found in the dense forest area along the Orynkuko-river.

Therefore, 1 gram of wild Ginseng is equal to the same quantity of gold. Such precious herb has been already circa 2 hundred years ago (in the middle of Tokugawa-Bakufu-period) cultivated in some fiefs of Daimyo's (in Izumo and Iwashiro) province. Consequently, Ginseng seeds were scattered in neighbouring mountainous areas. Recently, wild Ginseng has been rarely found in Japan. Dr. Ishidoya, one of our distinguished botanists, found 5 pieces of wild Ginseng in Zaō mountain near Iwashiro province. Actually Mariko-district in Nagano prefecture has the great many Ginseng production at present. When I visited there, people living near Ginseng-fields, told me their interesting and curious experience. They are able to enjoy healthy and sound lives. Such analogous fact has been often told by hemp cultivators. As well known, hemp leaf contains strong analgetic and narcotic compounds. When cultivator has some painful complains, his suffering can be improved by staying a while in hemp farm.

These curious phenomena seem to be due to these plants liberating their active principles to the air by respiration act. Above all, the external application of raw Ginseng extract against wound and burn is very effective. Through these facts, it is not deniable that Ginseng can be used in several cases, no matter that its real effective ingredient remains still unknown.

Coix Lachryma-Jobi from Senji Nara's "Yokuinin" published in 1896

Against hypertension, Dr. Chika Kuroda, the honorary professor of Ochanomizu Women's University, discovered recently quercetin, aglycon of rutin, and another similar flavonoids in thin glistening husk of onion. The finely powdered onion husk has been already tested by some prominent clinicians. They have proved that increased blood pressure can be treated with outstanding results.

Thus, many precious drugs will be picked out as hidden treasures from further studies in the field of Oriental medicine. *(The writer is former professor at Keijo Imperial University.)*

Commodity Market

Cotton Goods:—The prices of cotton goods, already markedly stiff since early April, jumped further after the turn of the month. The quotation of cotton yarn (20s-current month delivery) at the Osaka Sanpin Market soared to ¥219.30 in early May with 30s equally up to ¥289.50. The price mark, however, came to a temporary standstill after the Ministry of International Trade and Industry announced on April 9 that the production curtailment, in operation for some time, would be lifted as of July as a measure to curb a further price upturn. The yarn quotation in Tokyo also continued firm, rising from ¥76,000 per bale (20s) at the start of this year to ¥89,000 in early May, although it dipped somewhat to ¥85,500 as of May 17. During the same interim, 30s moved from ¥88,000 to ¥112,000 and ¥107,000; shirting (No. 2003) from ¥55.50 per yard to ¥70.5 and ¥65.0; and Enshu (No. 1) from ¥71.00 per yard to ¥125.00 and ¥118.00. The latest price rally of cotton yarn and fabrics was attributable to three major factors: 1) Dwindling production due to operation curtailment; 2) Brisk exports since last fall; and 3) Sound growth of domestic consumption. The advent of active demands for summer items lent an additional impetus to the rally. Despite the prospective abolition of production curtailments from July, the prices of cotton goods are expected to continue strong for some time, although the market may grow lethargic after the completion of a round of summer demands.

The April production of cotton yarn (exclusive of any mixed yarn) recovered to the 200,000-bale mark for the first time since June, 1954 despite the 8% production cut. With the curtailment rate due to be reduced to 4% in May and June, the production is certain to swing up further and the 220,000-bale mark is likely to be eclipsed after July following the complete removal of curtailment restrictions. Meanwhile, the exports of cotton fabrics totalled 363,000,000 square yards during the first three months of 1956 (January to March), but the April shipments slipped slightly to 89,000,000 square yards. With the monthly exports after May estimated at around 80,000,000 square yards and shipments of cotton products processed from American raw cotton earmarked for Burma and India placed at around 20,000,000 square yards, the monthly total may exceed 100,000,000 square yards. With the domestic demand destined to mark time after the summer season, however, inventories, which hit the recent low of 343,000 bales (in terms of yarn) are likely to increase. As the impending lifting of production curtailments will come as a fresh deterrent, the quotations of cotton goods will soon hit the ceiling and then begin to soften before winter.

Chemical Fibres:—The spun rayon yarn market followed almost the same course as the cotton yarn market with a recent high of ¥159.90 quoted on May 8. The market began to mark time in mid-May, but the retreat was quite limited in scope. Production increase operations of spun rayon yarn have apparently been progressing with unexpected swiftness. As of March, this year, the operable capacity of spun rayon yarn stood at 923 metric tons daily, a sharp gain of 118 tons over 805 tons as at the close of November, last year. Additional equipments are due to begin operation by the end of the year with Ohmi Kenshi, Nisshin Spinning, Toyo Spinning and Kurashiki Spinning expected to advance to the spun rayon field in addition to the 12 specialists now operating. Rayon filament also continued strong as exports (which take about 40% of the domestic production) continuing active. The monthly exports of rayon filament yarn (the 1955 monthly average at 1,570,000 lbs.) totalled 1,295,000 lbs. in January, 1,227,000 lbs. in February, 1,750,000 lbs. in March, and 1,890,000 lbs. in April. Equally lively have been the exports of rayon filament fabrics with the monthly average in the January-April period this year growing to 35,810,000 square yards from the 1954 monthly average of 28,500,000 square yards. The latest spur to the exports of rayon filament fabrics is the apparent intention of South Korea to resume purchases from Japan. That country has been boycotting Japanese rayon items since last November. Communist China and Formosa may follow suit.

Woollen Yarn:—The activity of the cotton yarn market came as a welcome booster to the woollen yarn quotations which began soaring from early May. The spurt, however, was short-lived, as two deterrents damped the market. The abolition of cotton yarn production cuts from July, announced by MITI, was the first brake. The announcement by the same Ministry that the imports of wool for the current fiscal year would be increased by 60,000 bales to 910,000 bales further darkened the market. Thus, the woollen yarn quotation, which soared to ¥1,150 per pound on May 1 and further spurted to ¥1,195 on May 8, returned to the original position on May 10 and further dipped to ¥1,091 on May 12 when the additional wool imports of 60,000 tons were announced. With the supply of wool due to be more than adequately plentiful, the market is expected to soften further sooner or later.

Raw Silk:—The raw silk market also maintained a firm tone from late April into May with the ¥2,100 mark recovered. The general prospects are apparently bright due to three probable supports: 1) The supply-demand balance, already tight in April, will grow further stringent; 2) Overseas inventories have been smoothly cleared and the break-even point for domestic weavers has improved because of increasing demands for autumn and winter items: and 3) The fair tone of cotton, chemical fibres and other textile markets. According to the Ministry of Agriculture and Forestry, the 1956 spring cocoon crop is estimated to total 14,979,000 kan, some 5.6% larger than the past postwar peak of 14,189,000 kan in 1955.

MAJOR TEXTILE QUOTATIONS

		Cotton Yarn (Osaka)	Rayon Yarn (Osaka)	Spun Rayon Yarn (Osaka)	Woollen Yarn (Nagoya)	Raw Silk (Yokohama)
Dec.	3	190.1	209.5	150.0	1,023	1,929
	10	189.2	210.5	147.9	1,007	1,920
	17	187.1	224.5	145.9	976	1,941
	24	180.9	228.0	145.1	994	2,000
	28	179.0	234.9	145.9	987	1,975
Jan.	4	179.0	238.9	147.1	989	1,969
	7	177.1	236.2	147.6	980	1,950
	14	180.0	245.4	153.9	987	1,940
	21	183.0	241.1	153.0	996	1,935
	28	184.5	232.9	148.3	985	2,925
Feb.	4	188.9	223.1	148.7	998	1,239
	11	190.7	227.1	145.9	1,007	1,909
	18	192.6	224.6	142.1	996	1,901
	25	186.0	219.9	135.8	1,030	1,909
Mar.	3	189.5	215.4	138.5	971	1,909
	10	193.6	222.3	136.5	966	1,905
	17	201.9	230.8	136.0	980	1,904
	24	205.9	243.0	136.4	1,006	1,896
	31	196.9	243.5	140.9	990	1,918
Apr.	7	195.0	235.6	143.0	990	1,938
	14	198.0	244.0	146.9	1,015	1,951
	21	202.6	247.0	150.0	1,038	1,999
	28	213.0	246.2	158.0	1,088	2,059
May	4	214.8	255.0	159.1	1,140	2,099
	12	196.0	247.0	154.0	1,099	2,090

Labor

27th May Day:—Japan feted May Day in a big way this year. Favored with magnificent weather, upward of 1,350,000 workers—biggest turn-out ever—took part in the 27th celebration of the laborers' day in 818 different places throughout the country.

Welcome is the fact that the yearly celebration, which had seen many bloody occurrences in the past, was carried out in a most peaceful manner in 1956. There were a considerable number of workers who took their family members along, adding a tone of peaceful picnic to the once-terror-stricken gatherings. Even placards did not scream but tried to persuade in modified tone. Gatherings tended to pay more attention to the economic factors in the workers' lives than on the political nonsense as they used to do. Only political note in the laborers' symphony was the hoarse cry against the Small Constituency System and the Revision of the Constitution now under consideration in the Houses.

Cries against heavier taxes and the social insurance revision plus the pledge to fight all-out against any labor lay-offs were some other features of the day. Naturally the gatherings were all for the wage increase and shortening of the working hours, while solidly opposed to the H-bomb tests in the Southern Pacific.

Unemployment Situation:—A staggering total of 1,060,000 completely unemployed in March was reported by the Statistics Bureau of the Prime Minister's office. The biggest unemployment figure in the Bureau's eight year history, however, was mostly due to the large crop of newly graduated students pouring into the markets all at once. When we recall, however, that the figure in the same month in 1955 was not more than 840,000, the increase is amazing all the same.

One of the most important factors for the phenomenal unemployment increase is the invasion into the labor markets by a large army of woman workers including housewives who are willing to sacrifice their leisure for an increased family income.

Growth in unemployment, therefore, is due less to the shrunken job offerings than to the increased willingness among those tho had before been outside any production activities. The number of offered jobs is showing every sign of steadying down.

Employment Status:—According to the Labor Ministry, the number of regular employees in offices and factories with more than thirty workers stood in March at 5,540,000—an increase of 1.0% over the previous month. This is the first time since April, 1955 that the employee number showed any kind of increase.

Growth was seen in every industry except mining and especially in manufacturing, a sizable 1.3% (0.5% in 1955) increase was witnessed to show the current prosperity the industry is enjoying.

The tendency still runs strong, however, that the employers try to impose overtime work on the regular employees before hiring new hands. The fact that the total work hours per capita per month, which had been sliding down until the middle of 1955, have been climbing up ever since is the best witness to the above tendency.

Wages:—Brisk business activities in the latter part of 1955 and the first few months of the current year acted as an invigorator in the long-depressed wage movements. The average cash wage per capita per month in March, 1956 stood at ¥17,943—an increase of 8.8% over the same month in 1955. With the continued good business results, the outlook in the wage fields is nothing but bright.

Worker's Income:—The average income total in February, 1956 of a worker's household stood at ¥25,733—a slight decrease from the previous month. Decrease in the carry-overs from January and decline in the social insurance subsidies mostly account for the overall setback. Worthy of notice is the fact that, despite the general decrease, the regular wage showed a 2.5% increase over January.

The total income, however, means a 6.1% growth when compared to the figure in January in 1955. The gross 9.0% increase in the regular wage helped to boost the overall growth, while the extra income including that from the sidelines made a slight decline. The fact that the regular pay has been steadily increasing ever since 1955 is another unmistakable warrant that industries, especially manufacturing, have been favored with good business results.

The average expenditure total in February, on the other hand, stood at ¥20,957 showing a 4.5% decrease over the month before. Helping the decrease were declines in expenditures for gifts and clothings plus shrinkage in expenses of pleasures. Expenses for foodstuffs, on the other hand, showed a slight increase, while expenses for housings, lights and fuels remained almost stable.

The increase in overall expenditure in February over the same month in 1955 stood at 6.9%. Expenses for housing (25%) and entertainments, culture and others (12.5%) led the way followed by clothing (8.2%), lights and fuels (5.4%) and foodstuffs (1.2%).

The balance in the worker's household in February stood at ¥2,018 in the black compared with ¥1,283 in January. Increase in the regular pay and the stability in the consumer prices combined to bring about this comfortable balance.

Summer Allowance Demands:—With the first sign of summer coming in town, struggles for the annual summer allowances are getting active every day. Government workers have already tendered their demands to their respective authorities and the private railway workers immediately followed the lead. Unions in other industries are also expected to jump in the rolling bandwagon at any moment.

As the business in general is still enjoying inordinate prosperity, prospect for the struggles are anything but gloomy. Indeed some compnies in synthetic chemical industries have already accepted the unions' demands in toto. Even workers in the ever-depressed coal mining industry are warranted optimism for a change this year.

However, the unfortunate fact still remains that there are too serious differences in allowances as well as in wages between the industries enjoying prosperity and those wallowing in the depth of depression.

LABOR INDICES

Year & Month	Labor Population (In 10,000) Total	Employed	Completely Unemployed	Nominal Wage Indices	Employment Indices	Monthly Work-hours	Separation Notice Received	Liquidated Companies
1952	3,775	3,729	47	120.6	103.8	192.5	64,376	356
1953	3,970	3,925	45	139.9	107.8	194.4	71,121	311
1954	4,015	3,958	58	149.5	111.4	193.6	94,424	734
1955	4,180	4,112	68	158.2	110.0	194.8	78,841	614
1956: Jan. ..	3,953	3,885	68	148.9	109.8	187.2	111,851	243
Feb. ..	3,958	3,883	75	143.3	109.7	198.4	67,765	291
Mar. ..	4,191	4,085	106	153.4	110.8	195.6	63,519	320

Source: *The Oriental Economist.*

Foreign Trade

Trade in April

Foreign trade has shown a considerable expansion since last year. The trade volume in April amounted to $195 million in export and $255 million in import, resulting in an import excess of $29 million, according to the Customs Bureau of the Ministry of Finance. Exports shrank by about 13% and imports increased only 1% from the previous month. Compared with $152 million of exports and $218 million of imports in April 1955, however, exports increased by 28% and imports by 17%.

On the list of exports, ships, cement, and garments increased from the previous month, but most of export commodities decreased. On the list of imports, barley, cotton, scrap iron, phosphate rock, and potassic fertilizers increased by more than 30%, while soy beans, coal, hides and leathers, and sugar decreased by 30–50%.

1. APRIL 1956 TRADE

(In $1,000; Customs Statistics)

		Against Total (%)	Against Previous Month (%)
Exports			
Iron and Steel	20,153	10.3	85.3
Cotton Cloth	18,083	9.3	60.7
Ships	17,853	9.2	142.9
Garments	10,944	5.6	107.3
Spun Rayon Cloth	9,044	4.6	100.9
Fish	7,572	3.9	82.1
Rayon Cloth	7,392	3.8	89.5
Total	195,108	100.0	87.2
Imports			
Cotton	46,997	18.4	134.8
Petroleum	22,986	9.0	83.7
Wool	21,178	8.3	120.6
Rice	15,278	6.0	89.2
Scrap Iron	12,736	5.0	137.8
Iron Ore	11,250	4.4	117.5
Wheat	9,600	3.8	80.0
Total	255,044	100.0	100.7

Foreign Exchange

In April foreign exchange receipts totalled $276 million and payments $224 million, favorably balancing at $52 million according to the Bank of Japan. Receipts from exports accounted for $210 million, surpassing $198 million in December 1955, which marked the highest amount hitherto, by as much as $12 million. Classified by commodity, iron and steel, cotton products, and synthetic textiles indicated marked increases.

Payments for imports reached $185 million mark exceeding the previous month by $11 million, chiefly because of increases in rice, cotton, wool, and petroleum. This mark is next to the highest record in March 1954. When $37 million of deferred payments and $7 million of surplus farm produce imports are added, actual amount of imports totals $229 million.

The Bank of Japan circles point out among the causes of the export expansion in April such unstable factors as (1) the scheduled revision in the settlement system with Argentina which speeded shipments of iron and steel to that country, (2) brisk exports of woollen textiles to Hong Kong and other places before April 15, the date of expiration for the system under which imports of wool were regulated in proportion to the amount of woollen textiles exported. Moreover, the amount outstanding of import letters of credit exceeded $500 million mark at the end of March and still is growing. Consequently, payments for imports are expected to grow markedly and this situation does not warrant optimism concerning Japan's international balance of payments in the future.

2. FOREIGN EXCHANGE IN APRIL

(In million dollars)

Receipts	275.6	(18.9)
Export Trade	209.9	(17.5)
Invisible Trade	65.7	(1.3)
With Armed Forces	47.3	(0.0)
Payments	223.6	(17.1)
Import Trade	184.9	(11.3)
Invisible Trade	38.7	(5.7)
Balance	52.0	(1.7)
Commodity Trade	25.0	(6.2)
Invisible Trade	26.9	(↩ 4.4)
Deferred Payments	87.2	(16.5)
Net Balance	14.6	(↩14.7)

Note: $7.2 million of surplus farm produce is not included in import exchange settlement.

Exports of Plant Equipments

Contracts of plant exports during fiscal 1955 (April, 1955—March, 1956) totalled about $620 million, nearly three times as much as the amount during fiscal 1954, according to the Approved Exports Statistics of the Ministry of International Trade and Industry. The huge increase is chiefly due to increased exports of ships and rolling stock (including automobiles). Exports of ships increased from $157 million of fiscal 1954 to $555 million of fiscal 1955, and exports of rolling stock from $20 million to $33 million. As a result, 95% (80% in fiscal 1954) of plant exports in fiscal 1955 is occupied by ships and rolling stock (including automobiles).

Exports of other machineries and equipments, however, were so dull that they amounted only to $29 million in fiscal 1955, decreasing by 40% from fiscal 1954. There is little hope for improving the situation for the following reasons.

(1) Iron and steel, electrolytic copper, etc. are more expensive here in Japan than rival countries in Europe and America and their unstable prices here cause high cost of plant manufacturing. (2) Japan started bending her efforts to export plant equipments only a few years ago, so it is difficult for her to make inroads into South East Asian, Latin American and Middle and Far Eastern markets where rival countries have established their commercial strongholds. (3) Textile machines, which hitherto formed the mainstay of Japan's plant exports, had been successfully competing with rival manufacturing countries until Pakistan, Japan's biggest customer, completed equipping its cotton spinning plants. Furthermore, other countries who have purchased Japanese machines have growingly prepared themselves to be able to equip their plants with machines manufactured in their own countries.

3. EXPORTS CONTRACTS OF PLANT EQUIPMENTS

(In million dollars)

	Fiscal 1955	Fiscal 1956
Electric Appliances	4.0	2.3
Communication Tools	0.4	0.2
Textile Machines	11.6	23.7
Industrial Machines	13.0	19.0
Total	28.8	45.4

Source: Ministry of International Trade and Industry.

Trade Volume Indices

Japan's trade volume indices prepared by Economic Planning Board are based on 1934–1936 average. According to them, indices for exports are 35.3 in 1953, 46.3 in 1954, 57.1 in 1955, showing a big steady increase every year. Indices for imports in the respective years are 74.4, 76.6, and 78.2, indicating a comparative stagnancy. There is in the Economic Planning Board indices a great gap between exports and imports in their rate of recovery to the prewar level.

Trade volume indices prepared by the Ministry of Finance is now to replace the trade volume indices of the Economic Planning Board. The new indices are based on *The Foreign Trade of Japan* compiled by the Ministry of Finance according to the Customs Statistics. Compared with the indices of the Economic Planning Board, the Finance Ministry's indices are adjusted to the territorial changes after the war and 1953 is taken as standard year. As the method of calculation, the quantity is directly compared. According to the new indices of the Ministry of Finance, the indices of the trade volume in quantity in 1955 are 71.6 for exports and 90.1 for imports compared with the prewar average (1934–36 as 100). These indices indicate a nearer recovery to the prewar level than the indices of the Economic Planning Board.

4. TRADE VOLUME INDICES
(1953=100)

	Total	Food-stuffs	Materials	Products
Exports				
9–11 ..	243.0	235.2	573.6	212.4
25 ..	78.1	39.6	101.3	81.2
26 ..	87.1	51.0	120.0	88.7
27 ..	92.4	78.4	98.3	93.6
28 ..	100.0	100.0	100.0	100.0
29 ..	133.3	92.8	117.0	139.9
30 ..	174.1	105.2	146.1	185.6
Imports				
9–11 ..	120.9	106.1	113.3	144.2
25 ..	45.0	56.1	48.4	15.8
26 ..	66.8	77.3	67.7	47.1
27 ..	73.6	92.6	71.1	54.1
28 ..	100.0	100.0	100.0	100.0
29 ..	103.6	116.9	97.7	103.5
30 ..	108.9	116.6	105.6	107.4

Source: Ministry of Finance.

Trade with China

The third Chino-Japanese Trade Agreement (£30 million each way) which was valid for one year was terminated by May 3, 1956. The Japan Association for Promotion of International Trade and the Dietmen's League for Promotion of Sino-Japanese Trade, the Japanese representatives of the agreement, proposed in April 1956 a renewal of the Agreement for one year to the Chinese Republic's Commission for Promotion of International Trade, who represented China for the Agreement. The renewal has been proposed because some of the principal features of the third Agreement have not been fulfilled. For example, the exchange of standing trade representatives, the payment agreement between the Bank of Japan and the People's Bank of China, etc. have not been carried out on account of the Japanese Government's indifferent attitude.

The Chinese trade fairs in Tokyo and Osaka in the autumn of last year which was one of the features of the Agreement were quite successful. A Japanese trade fair is scheduled in October in Peking and in December in Shanghai. The Japanese industrial circles' strong desire to exhibit in the trade fairs in China even commodities in the COCOM embargo list moved the Ministry of International Trade and Industry to allow some of the least important strategic materials in the embargo list to be exhibited in the fairs on the condition that they should be returned to Japan after the fair.

5. TRADE WITH CHINA
(Customs Statistics; in $100,000)

		Against Total Exports (%)		Against Total Imports (%)
1930–39....	1,986	21.6	1,156	12.4
1949	21	0.6	218	2.4
1950	196	2.4	396	4.1
1951	58	0.4	216	1.1
1952	6	0.04	149	0.7
1953	45	0.3	297	1.2
1954	191	1.1	408	1.7
1955	285	1.4	808	3.3

Japan's trade with China in 1955 totalled $29 million in export and $81 in import. Both exports and imports exceeded the previous year greatly, but the exports to China occupied only 3.3% of Japan's total and the imports from China only 1.4%. Principal goods exported to China were predominantly chemical products such as chemical fertilizer, dyestuffs, industrial chemicals, and rayon goods. Major items imported from China were soy beans, rice, and other pulses, fats and oils, salt and magnesia clinkers. The trade, however, balanced quite unfavorably at more than $50 million. The geatest cause for this is the COCOM embargo list. The Japanese Government's rigid enforcement of the barter system for each contract is another great handicap on the trade with China. The Japanese trading and industrial circles therefore strongly demand the Government to relax it to a general barter system.

Trade with North Vietnam

Japan's trade with North Vietnam, which has been growing through Japan's imports of Honguey anthracite via Hong Kong, has now undergone the first step towards direct transaction. The Japan Association for Promotion of International Trade and the Japan-Vietnam Trade Association for Japan and the North Vietnam Trade Organization for the North Vietnam signed the minutes of their barter trade negotiations early May, 1956. The gist of the minutes is: (1) Japan and North Vietnam will have a barter trade between them £294 of commodities for one year principally under the back-to-back system. (2) Commodities to be imported from North Vietnam to Japan include Honguey anthracite, phosphate rock, manganese, salt, tin and crude lacquer; commodities to be exported from Japan to North Vietnam include cement, fertilizer, electric appliances, plywood, caustic soda and textiles.

Russo-Japanese Talks and Trade

The Japan-Soviet Fishery Treaty and Sea Rescue Agreement were signed on May 15, 1956. The treaty shall become effective on the date the Japan-Soviet Peace Treaty goes into effect or on the date diplomatic relations are resumed by the two nations. The joint Kono-Ishkov communique said the two nations have agreed on the necessity of reopening formal negotiations for the restoration of normal diplomatic relations between the two countries at the earliest possible date—at least before July 31 this year. Thus the Japanese Government is compelled to reopen the negotiations for the restoration of peaceful relations with the Soviet Union as long as peaceful development of fisheries in Nothern waters is desired. Concerning the restoration of peaceful relations with the Soviet Union, some industrial and trading circles in Japan hope for expansion of trade with the Soviet Union. The general assembly of the Japan Association of Promotion for International Trade held on May 17, 1956, decided to demand the conclusions of a Japan-Soviet trade treaty and an agreement for payments between both Governments, and the exchange of a trade delegation.

So far the trade volume between the two countries has been very meagre. According to the Customs Statistics, Japan imported from the Soviet Union $2.25 million worth of goods and exported there $400,000 in 1954 and had $5.83 million of imports and $2.08 million of exports in 1955. The total trade volume during the two years is only around $10 million.

The Soviet attitude towards trade with Japan seems to have turned quite enthusiastic recently. A commercial arbitration agreement was signed on April 30, 1956. (between the Japan Commercial Arbitration Association and the All-Union Chamber of Commerce of USSR). Under the agreement claims attached to shipments will be dealt with for settlement by the arbitration commission on an equal footing with the Soviet Union. The agreement will eliminate all the inconveniences Japanese traders have felt in the past. Up to now, claims attached to timber and coal, for instance, were unilaterally handled in Moscow.

The Soviet Union has recently shown an attitude to accept direct negotiations between Soviet official trade organizations in Moscow and Japanese traders and use of Japanese ships. (Up to that time, all trade negotiations had been carried out through the Soviet delegation in Tokyo). Trade between the Japanese and Soviet cooperative unions is now being prepared. It is noteworthy in this connection that the Soviet Union desires to import silk, rayon textiles, velveteen and corduroy in exchange for Russian lumber. The Ministry of International Trade and Industry expects 150,000 cu. m of lumber to be imported during fiscal 1956, of which 100,000 cu. m is to be imported during May through November in compensation for repairing of freight ships and copper wires. Baku petroleum is to be imported 110,000 kl. during fiscal 1956. Encouraged by these signs towards active trade, the trading circles here hope that the trade with the Soviet Union would expand greatly after the restoration of diplomatic relations. The MITI circles, however, is less enthusiastic for concluding trade and payments agreements, for the reasons that there are not many items to be traded and the Soviet enthusiasm for expansion of trade is aiming at political advantages.

Investment Outlook

New Star Shares

New "Gilt-Edgers":—A group of new popular shares have come into the limelight in recent years as a fresh mark of selective buying at the securities market. In view of the energetic advance of those new star stocks in market transactions in the past few years, it is very likely that they will soon become full-fledged pivotals in the near future. Roughly speaking, four major backgrounds appear indispensable for the advent of new "gilt-edgers." 1) Good prospects for the growth of the companies concerned. The shares should be those of the companies having a bright future, regardless of the amount of capital or the length of existence. In other words, such companies should be successful in positive and energetic pursuit of new lines and new markets: 2) Rational management. The companies concerned are required to be ably managed and enjoy high reputation: 3) Good products. The companies concerned must be mauufacturing high-quality products by unique and advanced technical processes for well-established markets: and 4) Good standing and fair profits. The companies concerned should be financially stabilized and in command of fair profits with sufficient elasticity in management to withstand depression.

Specific Lines:—New star shares are generally confined to the industries which are comparatively new-comers to the market such as synthetic fibres, petrochemistry, titanium metal, television (TV set manufacturing and Telecasting), electron, rare metals, synthetic resins, automation machines, jet aircraft and air transportation.

Most of the industries listed are the new lines which have risen in this country after the termination of the war with petrochemistry and jet aircraft being the latest debutants. Hence, their shares have been bought mostly by those placing big hopes on their future developments. It should be noted, however, that newly-rising industries do not necessarily lead to the birth of new gilt-edged shares. Some industries may be highly promising as industries but may still remain unstable from the purely commercial standpoint. In other instances, some newly-rising industries may have already become good business propositions, but their shares may not yet be worthy of unconditional recommendation as the objects of fair and secure investments. By carefully and patiently watching the growth of such newly-rising branches, however, investors will sooner or later discover some new leaders worthy of selective buying.

New Star Shares:—In this connection, a recent poll conducted by the Nihon Keizai Shimbun, a leading commercial paper in Tokyo, will give a valuable reference. In this poll, the newspaper compiled the opinions of the leaders of securities and monetary circles to determine the basic definition of the new star shares (Seichokabu in Japanese). The final standing of the new star shares as voted by Japanese experts was as follows (only those with three or more points alone are listed):

"NEW STAR SHARES" BY N.K.S. POLL

Shares	Points
Toyo Rayon	31
Toyo Koatsu	24
Sumitomo Kagaku	21
Hitachi Works	18
Showa Denko	12
Asahi Kasei	11
Mitsubishi Kasei	9
Matsushita Denki	8
Nihon Gas Kagaku	8
Yokokawa Denki	7
Tokyo-Shibaura Denki	7
Shin Mitsubishi Jukogyo	6
Fuji Photo Film	6
Mitsui Kagaku	6
Dainippon Celluloid	6
Teikoku Rayon	5
Kurashiki Rayon	5
Toyo Boseki	4
Shin Nippon Chisso	4
Hokushin Electric Works	4
Mitsubishi Rayon	4
Ohji Paper	4
Sekisui Chemical	3
Nihon Rayon	3
Mitsubishi Oil	3
Kanegafuchi Chemical	3
Toa Gosei Kagaku	3
Sumitomo Bakelite	3
Kansai Power	3
Tokyo Power	3
Shimazu Seisakusho	3

Source: Nihon Keizai Shimbun.

As shown, Toyo Rayon topped the list with 31 points, having been supported by about 70 percent of the 45 participants in the poll, followed by Toyo Koatsu and Sumitomo Chemical. All the shares listed are either first-rate stocks or leaders in the second-rate group, being bought at the yields below the overall averages. For instance, the latest survey of the Tokyo Securities Exchange placed the average yield of the 225 pivotals transacted there as of May 9 at 5.72 percent. In comparison, the yield of Toyo Rayon as of the same date stood at 4.3 percent, Toyo Koatsu at 4.8 percent, Mitsubishi Kasei at 3.4 percent, Nihon Gasu Kagaku at 3.4 per cent, Shin Mitsubishi Jukogyo at 5.4 per cent, Dainippon Celluloid at 4.3 percent, Kurashiki rayon at 3.9 percent, Hokushin Electric Works at 4.7 percent and Ohji Paper at 5.4 percent.

On the other hand, some of the shares given high rankings in the list were giving better yields. Sumitomo Chemical, ranking third, gave the 7.8% yield while Hitachi Works' yield stood at 7.3% and Tokyo-Shibaura Electric's at 7.7%. Hence, the size of the yield alone does not necessarily determine the qualifications for new star shares.

Three Leaders:—Of the new star shares listed in the Nihon Keizai Shimbun rating, three representative shares have here been picked up for a closer scrutiny of outstanding features.

TOYO RAYON

Established	January, 1913
Capital	¥3,000,000,000
Specialities	Rayon filament, spun rayon, spun rayon yarn, nylon, etc.
President	Kikuo Sodeyama
Share price (May 9)	¥290
Dividend	20%
Yield	4.3%
Settlement term	March, Sept.

This company was founded in 1913 with the capital of ¥10,000,000 as a subsidiary of the defunct Mitsui Bussan K.K. With technical tieups obtained from Germany, the United States and Italy, this company started operation at its Shiga plant (Seta, Shiga Prefecture) in August, 1928 at the daily capacity of 3 tons of rayon filament yarn. In 1935, the company commenced production of spun rayon. In the prewar peak year (1938), it became one of world leading manufacturers of chemical fibres with the daily capacity of 75 tons of rayon filament yarn and 47 tons of spun rayon. Although crippled by the war, the postwar recovery of the company was energetic. In 1941, it succeeded in manufacturing Nylon-6 (marketed under the trade name of AMILAN) and this served as the foundation for the erection of a new nylon plant in Nagoya (Aichi Prefecture) in 1951

with the daily capacity of five tons, thus succeeding in commercializing nylon in in this country for the first time through a technical tieup with Du Point. Today, the company has the daily capacity of 36 tons of nylon. With nylon items as the principal speciality, this company for the half-year term ending March, this year reported a 5.4% gain in the sales of rayon filament yarn as compared with the preceding term), 8.9% hike of spun rayon and 30.8% increase of nylon. In total sales for the term under review, nylon predominated by accounting for 61.2% as compared with 58.8% for the preceding term. The production expansion program now under way, when completed, will boost the daily production capacity to 50 tons for nylon, 62.5 tons for rayon filament yarn and 100 tons for spun rayon. The paid-in capital will also be doubled to ¥600,000,000 in the near future. Thus, it is on the strength of the smooth progress of production schemes that its shares are seriously chased despite the low yield standing around the 4% mark.

NIPPON GAS KAGAKU

Established	April, 1951
Capital	¥540,000,000
Specialities	Production of methanol and other chemicals from natural gas.
President	Ryuichiro Enomoto
Share Price (May 9)	¥219.
Dividend	15% per annum.
Yield	3.4%
Settlement term	March, September.

This company, established after the war by former technicians of the defunct Imperial Navy, specializes in manufacturing methanol, formalin and other chemicals from natural gas. The future growth of this company depends much on the operation of its ¥560,000,000 subsidiary created under the name of Nippon Urea Industrial Company in October, 1955. The latter firm plans to start operation of its plant, now under construction in Niigata Prefecture with the technical assistance of Chemical contract Corporation (U.S.), from January, 1957 at the annual capacity of 20,000 tons of ammonia and 25,000 tons of urea. Upon the completion of this plant, the daily consumption of natural gas is expected to increase to 200,000 cubic metres. Capitalized at ¥540,000,000, this company is now equipped with the annual capacity of manufacturing 2,000 tons of methanol and 600 tons of formalin. This is the first company to have succeeded in utilizing natural gas (so far used only as fuel) for the manufacture of synthetic chemical products. Meanwhile, carbonic gas available in Niigata Prefecture, which is used by the company, is said ideal for synthetic chemical products. The company, founded only five years ago, has been well in the black already and is now giving 15% dividend. Major shareholders of the company are Itoh-Chu, Toho Rayon, Japan Life Insurance and Showa Oil and its board of directors lists leading financiers like Aiichiro Fujiyama, Chairman of the Japan Chamber of Commerce and Industry, and Keizo Shibusawa, former Minister of Finance. A bright future of the company is the major impetus to investors in its shares despite the low yield of 3.4%.

YOKOGAWA ELECTRIC WORKS

Established	December, 1920
Capital	¥300,000,000
Specialities	Electric metres.
President	Tokisuke Yokogawa.
Share price (May 9)	¥130.
Dividend	20%
Yield	7.6%.
Settlement term	March, September.

The success of Mr. Yokoga, president, in the manufacture of precision electric metres in 1917 led to the establishment of this company in 1921. As manufacturers of highgrade electric metres, this company divides the market with Hokushin Electric Works. During the Pacific War, this company specialized mostly in the manufacture of aircraft metres, air magnets and spark plugs at five factories located in the vicinity of Tokyo. After the war's termination, however, the company concentrated all equipments to its main factory at Kichijoji, Tokyo. Medium in scale, this company is as rationally managed as any key industry. The business of the company has become grown particularly in these few years due to the increasing demand for automation machines. Sumitomo Trust and Banking, Daiwa Bank, Daiichi Life Insurance Company and Nippon Life Insurance Company are major stockholders of the company. The annual sales of the company range between ¥1,500,000,000 and ¥2,000,000,000 with certain prospects of future gains. The company plans to increase capital by 70% to ¥510,000,000 as of July 20, this year and the dividend for the term ending September is due to dip from the present 20 to 15%. Although the yield after the dividend cut is to slip to 5.8%, the business of the company is certain to continue fair and sound.

Shares of titanium metal manufacturers may also be classified among the new "debutants." With the 1956 production expected to make a sweeping jump to 2,675 tons from 1955's 1,250, major manufacturers are expanding facilities. Osaka Titanium (capitalized at ¥60,000,000) and Toho Titanium (capitalized at ¥200,000,000) are the favorites among traders.

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Book Review

Nippon no Kogaku Kogyo Shi (*History of Japan's Optical Industry with Special Reference to Military Equipment*) (*in Japanese*) *6×8.4 cm. pp. 824 Not on sale. Compiled and published by the Kogaku Kogyo Shi Henshu Kai, 3–8 Marunouchi, Chiyoda-ku, Tokyo, 1955.*

The technical background for the excellent performance and fine workmanship of Nikon and Canon cameras is told in this voluminous publication sponsored by leading optical corporations and compiled by a group of well-informed engineers and managers (most of them over 50 years of age). In this preface, Chief Editor Mr. M. Nagaoka writes: "After the end of the Second World War, Japan's optical products suddenly came to be spotlighted on the world market ... surprisingly to some people. This book attempts to clarify in exact detail how the foundation of Japan's optical industry has been built up, because it is important for us to compile an authentic history before reliable materials and the expert memory become lost." He puts particular emphasis on the "special reference to military equipment", for Japan's optical industry began with the manufacturing of naval and military instruments attaining the international standard between World War I and World War II.

Most histories of Japanese industry written by historians of economy inevitably leave out much of the technological aspects of Japan's industrialization. Lacunae of this sort in their works would eventually be filled out. For instance, some members of the History of Science Society of Japan have recently turned their eyes to the history of industrial technology. But little progress has been made in this direction.

One of few books on Japan's technological development, the book covers extensively the history of the optical engineering in Japan. The volume falls into seven parts: 1) naval optical instruments, 2) army optical instruments, 3) optical instruments for naval aircraft, 4) optical instruments for army aircraft, 5) non-military optical instruments (cameras, surveying instruments, etc.), 6) accessories and materials for optical equipment, and 7) technical data. Annexed at the end are a series of memoirs written by 15 experts, a chronological table of the optical industry in Japan and in the world, a list of optical instruments plants as of August 15, 1945, and a list of sponsoring optical corporations with brief historical sketches. About 350 explanatory diagrams, including some photographs, are inserted to help readers understand the physical features of all the important optical instruments used by the Japanese Army and Navy.

Nearly one half of the total space is devoted to Parts 1 and III, dealing with optical instruments for warships and naval aircraft. The Navy played a far more important role than the Army for birth and development of the optical industry. Nippon Kogaku K.K., the oldest firm in this industry was established in 1917, and it was the Navy that extended every possible aid and encouragement to this pioneering enterprise.

The historical description covers mostly the period from the first decade of the current century to the end of World War II, August 15, 1945. Before 1900, no results were attained in this field though attempts were made to fabricate artillery and naval instruments. During and after World War I, the industry began to make steady development, particularly in the field of military equipments. Too much space, however, is reserved for the special reference to military instruments to explain how the technical achievements in the past have been utilized for postwar advance on the world market of Japan-made cameras and other optical apparatus. (*M. Y.*)

The Theory of Economic Growth
by W. Arthur Lewis pp. 453 George Allen & Unwin, London, 1955

Not that the book contributes a new chapter to the latest development in theories of economic growth. Nor is it an actual survey on the scope and causes of the economic growth in a certain country or a group of countries. Nevertheless, both economic theorists and economists engaging in researches on the actual economic analysis of various countries would find it worth their perusal. For the author treats the subject from various angles of socio-economic field, ably supported by his experience in field work.

The multifarious approach in this book is evident at a glance over the titles of each chapter: THE WILL TO ECONOMIZE, ECONOMIC INSTITUTIONS, KNOWLEDGE, CAPITAL, POPULATION AND RESOURCES, and GOVERNMENT. The relation between these and economic growth is treated in a broad perspective. This may be described as a well-organized treatise on economics whose main theme is economic growth, viz. increase in output. This treatise, however, deals with increase in output and its causes, and is not concerned much with the problem of distribution.

The author's experience on field investigations in the West Indies, in West Africa, and in the countries of East Asia has kept the book from being simply a compilation of theories and theoretical analyses. Frequent references to specific circumstances in the underdeveloped countries also constitute a part of the book which is not only interesting but often gives useful suggestions to those readers who live in those underdeveloped countries and their neighborhood.

In the appendix "Is Economic Growth Desirable?", the author reviews this problem from a broader, sociological and human standpoint, which deserves our attentive concern. He points out that economic growth is only one of many human desires and criticises materialistic pursuits of economic growth for its own sake. He also states various maladies accompanying achievements in economic growth and especially warns against immoderate policies towards economic growth in the underdeveloped countries without due regard to the public sentiment, social changes involved and others. (*K. U.*)

BOOKS RECEIVED

GERMANY TODAY Facts and figures *Edited by Dr. Hans Joachim von Merkatz and Dr. Wolfgang Metzner in cooperation with A. Hillen Ziegfeld, pp. 413 Alfred Metzner Verlag, Frankfurt am Main 1954.*

The English edition of "Deutschland-Taschenbuch", a handy and concise survey of the most important facts and figures on Germany. The book falls into five parts: 1. The Country—The People—The Nation, 2. The Social Structure, 3. Religion—Science—Education, 4. The Nation's Economy, 5. Travelling in Germany. The value of the book, which the editors have tried to make as concise and comprehensive as space can allow, has been enhanced by its excellence in typography and binding.

Digest of the Netherlands 1955, *pp. 79, 20×29 cm*

Distributed by the Government of the Netherlands. The Contents include, among others, History of the Netherlands, Governmental System, The Political Parties, The Netherlands in World Politics, Recent Financial History, Postwar Economic Progress, Industrialisation, Wage Policy, Defense Effort, etc.

French Economic and Technical Bulletin No. 11
Published by the Economic Section French Embassy, Japan

A summary of French Electrical Construction, the French Cycle Industry, Telecommunication in France.

1. Business Indices

Year & Month	Bank of Japan Account (1) (In million yen)			Postal Savings (2) (In million yen)	Monthly Report of All Banks (1) (In million yen)		Tokyo Stock Prices (3)			
	Note issues	Loans	National Bond Holdings		Deposits	Advances	Dow Jones (yen)	Simple Arithmetic Means (yen)	Turnovers (In thousand issues)	Interest Yield (%)
1947 av.	137,560	43,906	81,838	51,452	168,572	136,843	—	—	60,000	—
1948 ,,	241,510	54,238	187,157	59,573	326,417	246,159	—	—	142,000	—
1949 ,,	306,012	77,792	182,339	92,694	136,855	494,431	149.95	128.66	255,934	6.77
1950 ,,	321,873	123,251	143,683	134,232	893,077	820,526	101.87	74.01	512,110	9.53
1951 ,,	405,318	179,502	117,883	168,284	1,274,448	1,241,180	136.10	93.80	821,259	11.91
1952 ,,	453,294	241,134	143,472	219,361	1,816,619	1,808,130	245.67	124.08	2,002,637	9.85
1953 ,,	508,276	307,490	190,336	288,953	2,371,556	2,391,795	390.90	156.05	2,091,539	7.44
1954 ,,	519,697	365,477	250,447	377,907	2,749,568	2,830,895	340.79	110.94	1,238,495	9.44
1955 ,,	524,563	170,380	432,381	466,592	3,287,086	2,990,166	374.00	108.17	2,505,298	7.96
1954										
November	542,137	298,945	378,177	413,451	2,884,513	2,835,702	324.51	97.74	89,334	9.74
December	622,061	243,374	483,573	422,881	3,036,687	2,911,968	337.14	101.50	131,267	8.87
1955										
January	561,410	236,793	441,003	445,709	3,001,309	2,893,523	370.74	110.40	213,101	8.47
February	546,922	262,094	399,133	449,897	3,024,696	2,908,920	374.82	110.50	215,731	8.38
March	530,703	252,131	482,238	445,253	3,161,431	2,926,600	354.69	99.94	117,061	8.79
April	550,533	205,154	429,798	444,624	3,139,498	2,923,782	351.39	97.00	99,146	8.86
May	522,201	204,974	408,378	450,358	3,195,634	2,937,268	349.83	96.49	104,623	8.49
June	532,674	211,814	374,112	457,480	3,218,722	2,959,475	354.47	102.22	142,147	8.35
July	537,881	184,426	384,445	472,007	3,257,274	2,986,291	355.56	105.29	145,212	8.02
August	540,848	164,416	413,333	476,731	3,304,048	2,999,230	377.48	111.85	261,722	7.52
September	529,846	143,456	393,214	479,439	3,462,719	3,030,147	386.16	113.88	220,764	7.60
October	549,348	83,091	461,140	487,648	3,425,794	3,036,057	401.47	116.60	314,075	7.15
November	559,346	64,233	448,116	489,146	3,529,491	3,084,806	401.53	116.46	290,766	7.35
December	673,890	31,978	553,659	500,814	3,724,382	3,195,818	409.81	117.41	383,950	6.92
1956										
January	582,809	28,139	483,291	526,404	3,649,880	3,160,251	426.40	121.83	357,261	6.92
February	568,561	20,967	464,957	529,782	3,683,710	3,181,750	429.71	122.58	387,126	6.61
March	574,754	27,303	561,330	526,300	3,892,500	3,260,500	444.29	125.86	490,995	6.53
April	584,700	18,400	520,700	..	..	..	471.86	130.27	712,131	6.45
Ag. Previous Month (%)	(+) 1.7	(−) 32.6	(−) 7.2	(−) 0.6	(+) 5.7	(+) 2.5	(+) 6.2	(+) 3.5	(+) 45.0	(−) 1.2
Ag. Corr. Month in 1955 (%)	(+) 4.4	(−) 91.0	(+) 21.2	(+) 18.2	(+) 23.1	(+) 11.1	(+) 34.3	(+) 34.3	(+)613.8	(−) 27.2

Year & Month	Tokyo Wholesale Prices (1) Total Average		Tokyo Retail Prices (1) July, 1914=100	Export & Import Price Indices (1) (July, 1949-June, 1950=100)		Cost of Living Tokyo (4) (Oct., 1946=100)	Consumer Prices Indices (1951=100) (5)		Average Monthly Expenditure Per Household (5)	
	1952=100	1934–1936 =100		Exports	Imports		Tokyo	All Cities	All Cities (yen)	Tokyo (yen)
1947 av.	—	4,815.2	7,811.5	—	—	236.1	42.7	38.2	4,684	5,469
1948 ,,	—	12,792.6	22,912.6	—	—	472.9	74.0	69.9	8,780	10,606
1949 ,,	—	20,876.4	37,283.7	—	—	607.9	92.7	92.2	11,885	14,092
1950 ,,	—	24,680.7	36,628.7	115.6	107.8	541.1	86.1	85.9	11,980	14,134
1951 ,,	—	34,253.1	47,411.9	165.5	136.3	637.4	100.0	100.0	14,410	16,138
1952 ,,	100.0	34,921.5	46,138.0	134.9	122.1	681.9	104.2	105.0	17,862	19,741
1953 ,,	100.4	35,157.3	47,446.1	127.9	110.1	782.1	112.0	111.9	22,113	25,133
1954 ,,	99.7	34,926.0	50,400.9	123.0	105.7	850.2	118.1	119.1	22,678	26,517
1955 ,,	97.9	34,301.9	49,296.8	123.5	106.6	874.7	116.4	117.8	23,211	27,579
1955										
March	▲ 99.1	▲ 34,719.4	50,562.4	123.6	106.9	857.1	116.4	118.4	22,576	26,714
April	98.3	34,439.1	50,310.4	124.5	106.1	865.0	118.2	119.1	22,475	26,431
May	97.5	34,158.8	▲ 49,917.3	123.3	106.8	861.9	117.0	118·2	22,200	25,800
June	▲ 96.5	▲ 33,808.5	▲ 49,437.6	122.4	106.1	865.0	116.2	117.6	21,965	26,349
July	97.0	33,983.7	▲ 48,254.0	123.4	107.2	847.7	115.1	117.0	23,490	30,351
August	97.5	34,158.8	▲ 48,515.2	124.0	107.4	833.6	116.3	117.8	22,401	25,256
September	97.7	34,228.9	48,555.1	123.8	105.6	832.9	115.6	117.4	21,905	25,910
October	98.0	34,334.0	48,382.9	123.3	104.9	829.7	117.5	119.0	23,233	27,641
November	97.8	34,263.9	48,053.6	125.4	106.2	832.1	115.5	115.9	23,149	28,293
December	97.9	34,299.0	48,190.6	126.1	105.6	832.9	115.2	115.7	34,864	41,257
1956										
January	98.6	34,539.6	47,865.6	127.1	106.1	839.1	▲ 115.5	116.4	21,886	26,112
February	99.3	34,789.5	48,140.4	127.5	▲ 105.2	835.2	▲ 116.8	117.4	21,025	25,035
March	99.6	34,894.6	48,883.2	128.1	103.8	835.2	118.1	118.5	..	..
April	100.2	35,104.8	48,945.0	..	..	838.3	..	..	..	..
May	..	..	..	..	..	830.5	..	..	..	..
Ag. Previous Month (%)	(+) 0.6	(+) 0.6	(+) 0.1	(+) 0.5	(−) 1.3	(−) 0.9	(+) 1.1	(+) 0.9	(−) 3.9	(−) 4.1
Ag. Corr. Month in 1955 (%)	(+) 1.9	(+) 1.9	(−) 2.7	(+) 3.6	(−) 2.9	(−) 3.6	(+) 1.5	(−) 1.3	(+) 7.7	(+) 9.8

Sources: (1) Bank of Japan.
(2) Ministry of Postal Services.
(3) Tokyo Securities Exchange.
(4) The Oriental Economist.
(5) Statistics Bureau, Prime Minister's Office.

Notes: ▲ Revised at source.

2. Business Indices

Year & Month	Consumption Level (1) (1934-1936=100)			(2) Manufacturing Industry Wages (1934-9=100)		(2) Employment Indices for Mfg. Industries (1947=100)	No. of Employed (In 10,000) (3)	No. of Unemployed (In 10,000) (3)	F.P.B. Indices (1934-6=100) (1)			
	Total	Urban	Non-Urban	Nominal	Real				Business Activity Indices	Mining Manufacturing	Manufacturing: Durable	Manufacturing: Non-durable
1947	—	55.4	—	1,580	30.2	100.0	..	..	46.2	37.4	44.9	26.6
1948	—	61.2	—	4,381	48.6	101.0	3,460	24	61.8	54.6	74.7	35.1
1949	—	56.0	—	7,516	66.3	102.4	3,606	38	76.7	71.0	99.8	47.0
1950	79.3	69.8	93.5	9,135	85.4	97.1	3,572	44	88.0	83.6	110.0	66.7
1951	82.7	68.9	103.4	11,708	92.1	104.5	3,622	39	119.4	114.4	164.3	89.2
1952	96.2	80.2	120.1	13,516	102.3	107.7	3,728	47	131.8	126.4	171.8	104.5
1953	108.8	94.0	131.0	15,322	107.3	112.7	3,925	45	161.2	155.1	209.9	131.8
1954	114.7	100.0	136.7	16,307	108.0	118.2	3,958	48	173.5	166.9	213.2	150.3
1955	120.5	106.5	141.6	16,759	114.5	116.6	4,117	68	187.8	180.7	222.6	168.0
1955												
February	109.6	93.0	143.6	14,854	100.5	115.1	3,736	66	169.4	163.0	197.1	151.3
March	119.8	100.5	148.7	14,700	99.5	115.7	3,984	84	185.2	177.8	219.7	163.9
April	113.9	97.3	137.8	15,192	101.3	117.8	4,130	70	181.1	174.1	218.7	160.2
May	106.0	94.8	122.8	14,902	100.5	117.4	4,315	66	181.5	174.4	218.9	161.1
June	108.1	101.2	118.4	17,015	116.8	117.0	4,302	68	184.4	177.6	219.0	165.3
July	121.8	118.9	126.1	19,973	135.7	117.0	4,243	72	187.1	180.2	216.0	170.6
August	114.5	95.7	142.7	15,599	108.9	116.8	4,148	71	189.2	182.7	232.2	171.7
September	114.0	102.4	131.4	14,983	106.4	116.7	4,197	67	193.3	185.3	226.9	175.0
October	118.3	104.7	138.6	15,036	104.7	116.6	4,339	72	194.3	186.9	234.7	171.4
November	125.5	111.0	147.2	15,541	110.7	116.6	4,261	57	198.0	190.5	240.4	174.0
December	▲ 180.2	167.3	▲ 199.5	27,784	185.8	116.6	4,141	57	206.0	198.0	247.3	182.7
1956												
January	121.7	▲ 102.3	150.9	15,914	▲ 111.1	116.2	3,885	68	189.6	181.7	227.6	166.6
February	..	101.0	..	15,598	109.9	▲ 116.2	3,883	75	▲ 198.5	▲ 190.9	▲244.2	▲173.0
March	..	..	..	..	..	..	..	..	204.2	196.0	259.6	178.2
Ag. Previous Month (%)	(-) 32.5	(-) 1.3	(-) 25.4	(-) 2.0	(-) 1.1	0	(+) 0.1	(+) 10.3	(+) 2.9	(+) 2.7	(+) 6.3	(+) 3.0
Ag. Corr. Month in 1955 (%)	(+) 6.5	(+) 8 6	(+) 1.8	(+) 5.0	(+) 9.4	(+) 1.0	(+) 3.9	(+) 13.6	(+) 10.3	(+) 10.2	(+)18.2	(+) 8.7

Year & Month	Manufacturing Ind. Total (1953=100): Piled-up Materials Indices (4)	Manufacturing Ind. Total (1953=100): Piled-up Imported Materials Indices (4)	Producer's Stock Indices Mining Manufacturing Total (4) 1953=100	Seller's Stock Indices (4) 1950=100	Car-loadings Indices (5) 1941=100	Department Store Sales (4) 1941=100	Foreign Trade (6) (In $1,000): Exports	Imports	Balance	Foreign Trade Volume Indices (1934-6=100) (1): Exports	Imports	Foreign Exchange (7) ($ 1,000): Received	Paid	Balance
1947	—	—	—	—	72.1	1,188.6	173,568	526,130	△ 352,562	—	—	—	—	—
1948	—	—	—	—	82.3	3,036.1	258,271	486,220	△ 425,949	7.5	17.8	—	—	—
1949	—	—	—	—	86.9	5,499.8	509,700	904,845	△ 395,145	16.1	28.0	—	—	—
1950	60.7	40.5	83.2	100.0	87.4	7,690.2	820,055	974,339	△ 154,284	29.6	32.8	1,008,310	677,207	331,103
1951	82.9	68.6	82.1	83.4	106.2	11,943.3	1,354,520	1,995,039	△ 640,520	31.4	48.3	2,240,580	1,909,278	331,303
1952	88.3	78.9	100.9	85.5	103.3	15,108.9	1,272,915	2,028,193	△ 755,278	31.4	54.2	2,238,127	1,924,815	314,312
1953	100.0	100.0	100.0	96.1	105.7	19,818.1	1,274,843	2,409,638	△1,134,795	35.3	74.4	2,120,037	2,313,716	△193,679
1954	100.6	96.8	129.4	109.2	105.6	22,193.7	1,629,339	2,399,404	△ 770,065	46.3	76.6	2,309,264	2,209,296	99,967
1955	94.1	89.5	120.0	..	105.9	23,668.9	2,010,600	2,471,430	△ 460,831	..	..	2,667,645	2,173,846	493,798
1955														
February	88.4	83.8	119.8	104.6	103.5	16,150.0	146,665	174,535	△ 27,870	50.0	66.4	176,575	172,184	4,390
March	89.1	82.1	115.8	108.4	100.6	23,182.9	166,486	228,219	△ 61,732	58.1	95.2	209,375	167,542	41,833
April	90.5	83.6	119.5	111.3	102.5	22,246.1	152,231	216,774	△ 64,544	53.3	82.4	206,509	200,153	6,355
May	93.1	86.0	123.2	111.9	102.3	19,786.6	147,786	215,084	△ 67,298	48.8	78.8	195,346	196,661	△ 1,314
June	99.0	95.8	127.4	109.9	105.8	19,684.9	159,595	212,436	△ 52,840	54.4	81.7	226,527	173,211	53,316
July	99.3	97.9	130.0	114.3	105.4	25,837.9	159,980	203,770	△ 43,790	54.2	77.3	223,334	178,575	44,758
August	98.2	96.2	122.9	126.7	107.9	19,050.5	175,985	206,848	△ 30,863	59.7	79.0	234,989	187,006	47,983
September	95.9	91.3	118.0	123.2	110.5	16,660.5	176,246	180,389	△ 4,142	58.8	69.1	257,685	175,727	81,958
October	93.7	86.9	116.5	▲ 134.4	109.7	23,237.0	188,903	201,597	△ 12,694	65.3	78.9	240,401	171,734	68,660
November	96.3	90.8	115.3	▲ 113.4	111.6	26,135.9	168,303	223,988	△ 55,685	56.7	87.7	236,594	187,899	48,694
December	98.0	92.7	109.8	▲ 113.4	109.2	54,881.1	249,180	233,344	15,835	84.2	91.1	268,769	207,506	61,263
1956														
January	▲ 97.6	▲ 95.3	▲ 111.5	115.4	107.8	19,503.4	149,333	218,555	×△ 68,774	..	..	238,341	208,812	29,528
February	95.4	693.5	110.5	..	113.3	19,444.2	▲ 185,704	▲ 220,380	▲△ 34,676	..	..	254,216	210,348	43,868
March	..	..	..	..	101.9	..	223,747	252,936	(-) 29,189	..	..	256,733	206,487	50,246
Ag. Previous Month (%)	(-) 2.2	(-) 1.9	(-) 2.2	(+) 1.8	(-)10.1	(-) 0.3	(+) 20.5	(+) 14.8	—	(+) 48.5	(+) 3.9	(+) 0.9	(-) 1.9	—
Ag. Corr Month in 1955 (%)	(+) 7.9	(+) 11.6	(-) 9.0	(+) 12.8	(+) 1.3	(+)20.4	(+) 34.4	(+) 10.8	—	(+) 22.6	(+) 33.2	(+) 22.6	(+) 23.2	—

Notes: △ in Foreign Trade means excess in export, while △in Foreign Exchange means excess in payment.
Sources: (1) Economic Planning Board (2) Ministry of Labor (3) Statistics Bureau, Prime Minister's Office (4) MITI (5) Ministry of Transportation (6) Ministry of Finance (7) Bank of Japan. ▲ Revised at source.

3. Business Indices

(Based on Korea) (June 1950=100)

Year & Month	Bank of Japan Note Issue (1)	Monthly Report of All Banks (1)		Tokyo Stock Prices (2)		Tokyo Wholesale Prices (1)			Consumer Prices (3)		Cost of Living Tokyo (4)
		Deposits	Advances	Dow Jones	Simple Arithmetic Means	Total Average	Producer Goods	Consumer Goods	Tokyo	All Cities	
1954											
May	167.9	313.1	310.6	360.6	164.0	151.3	170.4	129.9	145.2	143.2	174.7
June	171.7	308.9	312.1	368.2	165.6	148.7	166.5	128.6	145.0	144.1	175.9
July	168.4	308.9	314.2	373.6	165.4	147.9	165.8	128.0	145.9	144.8	174.3
August	167.7	312.6	316.7	372.1	161.1	148.5	165.6	129.4	144.2	144.9	173.2
September	165.6	325.4	320.7	386.9	166.0	149.3	165.6	130.6	143.9	144.6	173.0
October	170.3	321.2	323.3	373.4	157.5	149.0	165.5	130.3	145.8	145.9	172.7
November	174.2	332.1	326.5	355.9	146.7	150.4	166.5	131.8	142.8	142.9	172.0
December	199.9	349.6	335.3	369.8	152.4	149.3	164.9	131.3	141.5	142.0	170.9
1955											
January	180.4	345.6	333.2	406.6	165.7	149.8	166.0	131.3	142.8	143.4	173.3
February	175.8	348.3	334.9	411.1	165.9	150.5	168.1	130.7	143.2	143.7	174.9
March	170.5	364.0	337.0	389.0	150.0	151.0	169.2	130.5	142.5	143.0	174.4
April	176.9	361.4	336.6	385.4	145.6	149.6	168.3	129.0	144.7	143.8	176.0
May	167.8	367.9	338.2	383.7	144.8	148.4	166.3	128.6	143.2	142.8	175.4
June	171.2	370.6	340.7	388.8	153.4	147.2	164.9	127.6	142.2	142.0	176.0
July	172.8	375.0	343.8	390.0	158.0	147.6	166.2	127.2	140.9	141.3	172.5
August	173.8	380.4	345.3	414.0	167.9	148.4	167.2	127.6	142.4	142.3	169.6
September	170.3	398.7	348.9	423.5	170.9	148.7	168.1	127.5	141.5	141.8	169.5
October	176.5	394.4	349.5	440.3	175.0	149.2	169.0	127.5	143.8	143.7	168.8
November	179.7	406.3	355.1	440.4	174.8	148.9	169.2	126.8	141.4	140.0	169.3
December	216.6	428.8	367.9	449.5	176.2	149.0	169.5	126.7	141.0	139.7	169.5
1956											
January	187.3	420.2	363.8	467.6	182.8	145.7	173.7	124.6	▲ 141.4	140.6	170.8
February	182.7	424.1	366.3	471.3	184.0	151.1	176.2	124.3	▲ 143.0	141.8	170.0
March	184.7	448.1	375.4	487.3	188.9	151.6	177.1	124.4	▲ 144.6	143.1	170.0
April	187.9	..	..	517.3	195.5	152.5	179.2	124.2	..	..	170.6
May	..	..	..	..	..	..	..	..	..	..	169.0

Year & Month	Foreign Trade (5)		Export & Import Price Indices (1)		Manufacturing Industry Wages (6)		Employment Indices for Mfg. Industries (6)	E.P.B. Indices (7)			
	Exports	Imports	Exports	Imports	Nominal Wages	Real Wages		Incl. Gas & Electricity	Mining Mfg.	Manufacturing	
										Durable	Non-durable
1954											
March	207.3	360.0	129.1	105.7	169.4	117.8	107.5	208.2	211.0	224.9	223.3
April	193.2	347.0	127.2	105.6	170.5	118.2	110.1	202.8	205.6	212.8	222.6
May	191.5	327.9	125.6	104.7	167.6	116.9	109.2	198.4	200.9	208.4	218.2
June	187.6	268.5	122.3	104.1	206.0	142.9	108.5	197.2	200.0	203.9	219.0
July	215.3	251.7	121.1	103.5	222.5	156.5	107.8	192.9	195.2	197.1	214.2
August	215.0	229.3	120.1	103.5	183.8	126.7	106.8	188.6	191.4	189.2	215.7
September	203.8	220.2	118.5	103.9	170.0	117.5	105.3	197.1	200.1	190.7	228.8
October	245.9	226.8	119.3	103.5	170.4	116.7	105.8	202.3	205.0	193.9	236.0
November	213.5	206.1	119.7	104.7	175.5	122.7	105.2	201.9	204.8	193.8	234.8
December	238.7	237.4	121.0	106.3	299.5	210.9	104.7	204.9	207.2	196.5	238.4
1955											
January	181.2	239.3	121.1	106.8	181.5	126.5	104.0	184.5	186.3	176.6	213.3
February	222.9	239.2	122.7	106.4	173.6	120.7	103.7	196.7	199.5	190.6	228.0
March	252.9	312.8	124.3	105.6	171.8	120.0	140.2	215.1	217.6	212.5	247.0
April	231.2	298.7	125.3	104.9	177.6	123.3	106.2	210.3	213.1	211.5	241.4
May	224.6	295.1	124.0	105.6	174.2	121.9	105.8	210.8	213.4	211.7	242.6
June	242.6	292.5	123.1	104.9	..	141.6	120.6	214.2	217.4	211.8	249.0
July	243.0	279.6	124.2	106.0	..	170.8	120.6	217.3	220.6	208.9	256.9
August	267.8	283.5	124.7	106.2	..	132.5	120.3	219.7	223.6	215.9	258.6
September	268.2	247.7	124.5	104.5	..	127.7	120.3	224.5	228.3	219.4	263.6
October	287.0	278.9	124.0	103.8	..	126.5	120.2	225.7	228.7	227.0	258.2
November	255.7	307.2	126.2	105.0	..	134.2	120.2	230.0	233.2	232.5	262.1
December	378.6	321.6	126.9	104.5	..	225.2	120.2	239.2	242.3	239.2	275.2
1956											
January	227.6	300.0	127.9	104.9	..	136.7	119.8	220.2	222.4	220.1	250.9
February	283.8	303.1	128.3	▲ 104.1	..	132.9	119.8	▲ 230.5	▲ 233.6	▲ 236.2	▲ 260.6
March	340.0	347.2	128.9	102.7	..	..	..	237.2	239.9	251.1	268.4

Note: The various statistics above have been recalculated by The Oriental Economist on the basis of June 1950. ▲ Revised at source.

Source: (1) Bank of Japan. (2) Tokyo Securities Exchange. (3) Statistics Bureau of Prime Minister's office. (4) The Oriental Economist survey of 157 items calculated by weighted arithmetic means. The cost of living index base which was based on November, 1947 and calculated according to 57 items, has been later revised to July, 1950 with 131 items and further from August, 1953, the items were enlarged to 157. (5) Ministry of Finance. (6) Ministry of Labor. (7) Economic Planning Board.

4. Bank of Japan Ten-day Report

(In million yen) (Bank of Japan)

	1956			
	Mar. 31	Apr. 10	Apr. 20	Apr. 30
LIABILITIES				
Bank Notes Issued	574,754	541,189	535,968	584,746
Bankers' Deposits	7,393	5,005	6,963	6,258
Government Deposits	138,224	38,380	41,127	64,470
Other Deposits	25,625	35,831	32,344	31,461
Inter-Bank Remittance Deposits	22,687	18,385	18,711	21,175
Reserves Against Contingencies	26,908	26,908	26,908	26,908
Other Liabilities	43,351	42,087	42,878	43,659
Capital Stock	100	100	100	100
Reserve Funds	13,473	13,473	13,473	13,473
Total	852,520	721,362	718,475	792,254
ASSETS				
Bullion	448	447	447	447
Cash	3,832	3,626	3,627	3,666
Discounted Bills	7,970	4,002	2,084	2,050
Loans	19,332	16,538	15,886	16,392
Foreign Exchange Loans	9,970	9,673	9,469	9,321
Advances to Government	900	0	0	0
Government Bonds	561,330	449,781	447,621	520,720
Foreign Exchange Accounts	178,020	177,387	176,909	176.658
Inter-Bank Remittance	21,233	15,962	19,194	20,651
Agencies Accounts	15,614	11,234	10,297	8,966
Other Assets	33,687	32,707	32,937	33,379
Total	852,520	721,362	718,475	792,254

5. Accounts of Member Banks of the Tokyo Banking Association

(In million yen) Tokyo Banking Assoc.

	1956			
	Mar. 31	Apr. 10	Apr. 20	Apr. 30
Deposits				
Current Deposits	336,496	123,942	125,344	318,063
Ordinary Deposits	194,706	184,312	190,125	197,371
Deposits at Notice	131,223	127,485	130,198	120,362
Time Deposits	386,660	388,971	390,857	393,664
Instalment Savings	19,572	19,291	19,279	19,618
Deposits for Tax Payment	1,894	2,255	2,842	3,012
Gov't Deposits	109,192	109,890	110,490	110,521
Other Deposits	51,239	30,414	30,298	54,166
Total	1,230,982	986,559	999,433	1,216,777
Advances				
Loans on Bills	603,126	582,756	590,550	604,193
Loans on Deeds	170,197	169,410	169,896	169,186
Overdrafts	6,360	5,605	5,446	6,426
Discounted Bills	361,951	341,103	338,478	363,519
Total	1,141,632	1,098,874	1,104,372	1,143,325
Advances against Import Bills				
Settlement Funds	39,384	39,705	41,388	39,640
Call Loans	24,939	25,795	27,010	26,019
Securities				
Government Bonds	26,759	40,178	51,590	41,947
Local Bonds	10,988	11,005	11,080	11,696
Corporate Debentures	130,409	130,408	130,667	134,218
Stock and Other Bonds	34,161	34,321	34,908	35,704
Total	202,316	215,912	228,244	223,565
Cash in Hand				
Cash	9,444	7,567	8,243	9,498
Checks, Bills, etc.	242,800	43,225	44,312	219,894
Total	252,244	50,792	52,556	229,391
Deposits	9,928	7,824	8,076	9,814

6. Monthly Report of All Banks

(February, 1956: Excluding Bank of Japan)

(In million yen) (Bank of Japan)

	All Banks						Trust Account (17)
	Debenture Issuing Banks (2)	Eleven Big Banks (13)	Local Banks (65)	Trust Banks (6)	Total (86)	Leftover from Pre. mo.	
Deposits							
Current Deposits	12,942	505,107	108,549	31,227	657,827	653,644	—
Ordinary Deposits	6,538	456,400	289,696	14,312	766,948	768,786	—
Deposits at Notice	19,783	168,171	38,638	19,690	246,284	255,074	—
Time Deposits	9,273	1,000,724	577,790	20,050	1,615,798	1,590,553	—
Special Deposits	1,968	105,277	32,576	4,906	144,729	128,163	—
Instalment Savings	—	33,348	93,149	100	126,598	126,492	—
Deposits for Tax Payment	102	5,084	2,503	382	8,072	8,456	*159,357
Deposits of Gov't and Gov't Agencies	2,113	114,769	—	—	116,883	118,169	**124,928
Other Deposits	—	647	—	—	647	627	—
Total	52,723	2,389,532	1,142,862	98,671	3,683,790	3,649,970	—
Borrowed Money	945	67,720	2,058	115	70,839	77,244	—
Borrowings for Settlement of Import Bills	—	—	—	—	—	916	—
Call Money	—	97,480	8,128	899	106,508	89,398	—
Cash and Deposits							
Cash in Hand	10,415	375,551	69,828	18,059	473,855	462,007	980
Deposits with Domestic Money Organs	1,362	18,697	26,075	1,744	47,879	40,413	6,205
Total	11,777	384,248	95,903	20,803	521,734	502,420	7,185
Call Loans	12,214	8,887	29,984	2,218	53,303	50,230	23,374
Securities							
Government Bonds	3,050	41,365	11,923	1,697	58,037	62,423	720
Local Government Bonds	1,063	18,559	11,930	235	31,789	30,550	562
Foreign Bonds	184	2,477	—	—	2,661	2,862	11
Corporate Debentures	7,623	205,786	162,886	4,843	381,140	373,469	3,220
Stocks	5,633	37,515	15,448	2,009	60,607	57,292	1,882
Other Bonds	1	233	1,223	136	1,595	1,313	13
Total	17,557	305,938	203,412	8,922	535,831	527,911	6,411
Advance							
Discount Bills	12,084	724,948	265,863	57,876	1,060,773	1,073,067	22,581
Advances against Real Estate	206,476	180,402	131,175	1,727	519,781	517,395	
Advances against Securities	1,492	38,401	18,656	488	59,038	58,475	
Other Secured Advances	12,576	144,569	123,538	5,219	285,904	279,751	
Advances against Guarantee	11,089	246,603	220,874	710	479,278	470,033	220,039
Unsecured Advances	81,750	447,046	143,408	19,432	691,638	680,791	
Overdrafts	20	15,683	11,593	446	27,742	23,360	
Total	798	55,031	677	1,177	57,685	3,160,315	
Loans for Settlement of Import Bills	326,288	1,852,687	915,788	87,078	3,181,843	57,440	242,621

Note: * Money in trust total. ** Loan trust.

7. Bank Clearings

(In billion yen) (Tokyo Clearing House)

Year & Month	All Clearing Houses		Tokyo		Osaka	
	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
	(1,000)		(1,000)		(1,000)	
1955: Aug. ..	10,986	2,711	4,312	1,239	2,236	631
Sept. ..	10,538	2,906	4,173	1,354	2,148	676
Oct. ..	10,731	2,853	4,285	1,326	2,160	656
Nov. ..	11,016	2,822	4,392	1,318	2,215	649
Dec. ..	15,064	3,643	5,939	1,701	3,035	819
1956: Jan. ..	9,129	2,556	3,641	1,167	1,764	608
Feb. ..	10,784	2,776	4,301	1,293	2,180	648
Mar. ..	11,791	3,286	4,738	1,501	2,377	790
1955: Mar. ..	10,495	2,951	4,189	1,409	2,095	629

8. Dishonored Bills

(In million yen) (Tokyo Clearing House)

Year & Month	Of which, Transactions with Bank Suspended							
	Tokyo		Osaka		All Clearing Houses		Tokyo	
	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
1955: Aug. ..	46	4,067	37	2,742	7,181	463	2,051	141
Sept. ..	44	3,626	34	2,608	6,515	413	2,004	137
Oct. ..	48	3,816	37	2,640	7,351	461	2,275	160
Nov. ..	49	3,820	36	2,290	7,156	490	2,052	147
Dec. ..	48	3,696	36	2,281	7,009	469	2,156	178
1956: Jan. ..	34	2,437	25	1,932	5,532	314	1,625	108
Feb. ..	43	3,251	31	2,043	6,390	454	1,889	189
Mar. ..	48	3,649	34	2,750	6,983	460	2,257	161
1955: Mar. ..	42	3,781	31	2,335	7,210	501	2,188	179

9. Postal Savings & Postal Transfer Savings

(In million yen) (Ministry of Postal Services)

End of Month	Postal Savings				Postal Transfer Savings	Total
	Receipts	Payments	Balance	Six Major Cities		
1955: Sept. ..	40,151	37,443	479,439	161,959	7,583	487,221
Oct. ..	44,136	35,928	487,648	163,366	6,446	494,094
Nov. ..	36,796	35,295	489,149	162,746	6,772	495,921
Dec. ..	48,467	36,944	500,814	166,629	6,377	507,191
1956: Jan. ..	65,717	40,126	526,404	175,267	5,880	532,284
Feb. ..	43,709	40,331	529,782	176,420	5,849	535,631
Mar. ..	42,636	46,090	526,334	175,731	6,046	532,380
1955: Mar. ..	38,234	42,827	445,253	147,061	6,476	451,729

10. Average Yields of Debentures

(Industrial Bank of Japan)

Month	Gov't Bonds	Financial Debenture		Industrial Debenture
		Interest Bearing	Discount	
	%	%	%	%
1955: Aug. ..	6.362	8.500	7.054	9.004
Sept. ..	—	8.500	7.054	8.992
Oct. ..	6.331	8.500	7.054	8.667
Nov. ..	—	8.500	7.054	8.803
Dec. ..	6.342	7.918	6.643	8.297
1956: Jan. ..	—	7.918	6.643	8.256
Feb. ..	6.362	7.918	6.643	8.247
Mar. ..	6.324	7.918	6.643	8.276

11. Bank of Japan Official Interest Rates

(In sen per diem per ¥100)**

Revised on	Commercial Bills	Against Gov't. Bonds *	Advance Against Securities other than Gov't Bonds	Overdraft
1932: Aug. 18	1.2	1.3	1.4	1.6
1933: July 3	1.0	1.1	1.2	1.4
1936: Apr. 7	0.9	1.0	1.1	1.3
1937: July 15	0.9	0.9	1.1	1.2
Sept. 21	0.9	0.9	1.1	1.1
1946: Apr. 9	0.9	1.0	1.1	1.3
Oct. 14	1.0	1.1	1.2	1.4
1948: Apr. 25	1.2	1.3	1.4	1.7
July 5	1.4	1.5	1.6	1.9
1949: Apr. 1	△ 1.4	1.5	1.6	1.9
June 2	1.4	1.5	1.6	1.9
1951: Oct. 1	1.6	1.7	1.8	2.1
1955: Aug. 10	2.0	2.1	2.2	2.3

12. Interest Rates for Advances by Member Banks

(In sen per diem per ¥100) (Tokyo Banking Assoc.)

Year & Month	Loans on Deeds		Loans on Bills		Overdraft		Discount Bills	
	High	Low	High	Low	High	Low	High	Low
1955:								
Aug.	3.30	2.50	3.30	1.80	3.00	2.00	3.30	2.00
Sept.	3.30	2.50	3.30	1.80	3.00	2.00	3.30	2.00
Oct.	3.30	2.60	3.30	1.80	3.00	2.00	3.20	2.00
Nov.	3.30	2.60	3.20	1.80	3.00	2.00	3.20	2.00
Dec.	3.30	2.60	3.20	1.80	3.00	2.00	3.20	2.00
1956:								
Jan.	3.30	2.60	3.20	1.80	3.00	2.00	3.20	2.00
Feb.	3.30	2.60	3.20	1.80	3.00	2.00	3.20	2.00
Mar.	3.20	2.60	3.20	1.80	3.00	2.00	3.20	2.00
1955:								
Mar.	3.30	2.60	3.30	1.80	3.00	2.00	3.30	2.10

13. Tokyo-Osaka Call-Money and Its Rates

(Bank of Japan)

Year & Month	Tokyo			Osaka		
	Rate		Balance at the End of the Month (million yen)	Rate		Balance at the End of the Month (million yen)
	Over-Night (sen)	Unconditional (sen)		Over-Night (sen)	Unconditional (sen)	
1955: Sept.	1.00	2.00	36,423	1.00	2.00	12,162
Oct.	1.00	1.80	48,097	1.00	2.00	16,966
Nov.	1.00	1.60	47,923	1.00	1.80	16,262
Dec.	1.00	1.80	45,370	1.00	1.60	22,027
1956: Jan.	1.00	1.50	43,649	1.00	1.90	16,112
Feb.	1.00	1.45	59,392	1.00	1.50	23,571
Mar.	1.00	1.60	43,695	1.00	..	17,283
April	1.00	1.50	56,953	..	..	24,046

14. Interest Rates of City Bank Deposits

(In sen per diem per ¥100) (Bank of Japan)

Enforced on	Time Deposits (%)			Current Deposits	Ordinary Deposits	Deposits at Call	Other Deposit
	Three Months	Six Months	One Year				
1940: Feb. A ..	—	—	—	—	—	—	—
1940: Feb. B ..	—	3.4	—	—	—	—	—
1944: July ..	—	3.3	—	0	0.5	0.6	0.6
1947: June ..	3.3	3.5	3.6	0	0.5	0.6	0.6
1948: Jan. ..	3.7	4.0	4.2	0	0.5	0.6	0.6
July ..	3.8	4.2	4.4	0	0.5	0.6	0.6
1949: Aug. ..	3.8	4.4	4.7	0	0.5	0.6	0.6
1951: Jan. ..	3.8	4.6	5.0	0	0.5	0.6	0.6
May ..	3.8	5.0	5.5	0	0.5	0.6	0.6
Sept. ..	4.0	5.0	6.0	0	0.6	0.7	0.7

Notes: △ includes foreign trade bills. * includes stamp bills, foreign trade bills, etc. from Oct. 14, 1946; and from June 1949 includes financial and other preferential debentures. ** HOW TO COMPUTE PER DIEM INTEREST:—In addition to the usual annual rate in percentage, computing interest by per diem rates is widely in use in Japan. This rate is expressed in sen (1/100 yen) as interest per day on ¥100 of principal. To find the usual annual rate from the per diem rate multiply the latter by 365. For example, a diem rate of 1.0 sen on a principal ¥100 gives an interest of 365 sen or ¥3·65 per year or 3.65% per annum. ▲ Revised at source.

15. Treasury Accounts with the Public

(In ¥100,000,000) (Ministry of Finance.)

Items	Fiscal 1954 Total	Fiscal 1955 Apr.–June	July–Sept.	Oct.–Dec.	1956 Jan.	1956 Feb.	1956 Mar.	1956 Jan.-Mar.	Total	Fiscal 1956 Apr.	1955 Apr.
General Account											
Revenue											
Taxes	7,711	1,803	1,925	1,926	654	582	842	2,078	7,733	536	501
Monopoly	1,138	333	243	118	30	95	133	258	964	94	93
Others	300	105	72	108	29	31	33	93	378	70	50
Total	9,149	2,244	2,240	2,152	713	870	1,008	2,429	9,075	700	644
Expenditure											
Defense Expenditure	860	182	151	143	100	8	17	125	601	92	162
Defense Board	647	159	131	218	38	60	80	180	688	154	84
Public Works Expenditure	1,651	365	320	378	25	74	▲ 161	▲ 259	▲ 1,316	180	203
Local Finance Equalization Grants	1,493	658	387	530	36	87	129	252	1,825	374	321
Compulsory Education Expenditure	689	183	159	225	49	53	▲ 68	▲ 170	742	40	47
Others	3,372	849	706	988	162	259	▲ 323	▲ 746	▲ 3,288	456	393
Total	8,714	2,396	1,854	2,482	410	541	▲ 778	▲ 1,732	▲ 8,460	1,296	1,210
Balance	435	△ 152	386	△ 330	303	167	▲ 230	▲ 697	▲ 615	△ 596	△ 566
Special Accounts and Others											
Foodstuff Control	60	633	△ 583	△ 1,450	181	10	135	331	△ 1,068	384	227
Trust Fund Bureau	△ 854	△ 236	6	△ 188	12	75	24	113	△ 305	△ 66	△ 67
Industrial Investment	△ 41	4	31	△ 27	△ 20	△ 15	5	△ 30	▲ 22	—	—
National Railways and Nippon Telegraph & Telephone Public Corporation	△ 126	23	41	△ 95	135	50	△ 16	169	136	42	△ 39
Finance Corporation	△ 638	△ 98	△ 81	△ 245	△ 34	△ 15	△ 114	△ 200	△ 624	△ 50	△ 32
Others	△ 1	△ 195	▲ 125	△▲ 135	163	▲ 97	▲ 55	▲ 313	▲ 108	△ 147	△ 194
Total	△ 1,600	131	△▲ 462	△▲ 2,140	437	▲ 168	▲ 89	▲ 696	△▲ 1,775	136	△ 105
Designated Deposits	38	—	—	—	—	—	—	—	—	—	—
Adjustment Items	△ 30	△ 145	△ 51	160	▲ 68	△ 7	68	129	93	45	12
Foreign Exchange	△ 743	△ 314	△ 513	△ 525	△ 105	△ 125	△ 118	△ 348	△ 1,699	△ 143	△ 57
Balance	△ 1,900	△ 480	△▲ 636	△ 2,824	▲ 703	202	269	▲ 1,174	△▲ 2,766	△ 558	△ 716

16. Tokyo Retail Price Indices

(1952 as 100) (Tokyo Chamber of Commerce)

Year & Month	Total Average	Foodstuffs: Staples	Beans & Greens	Dairy Products	Marine Products	Seasoning	Processed Foods	Non-Essential Edibles	Average	Clothings	Building Materials	Fuels & Lights	Sundries
1955 Average	105.6	109.7	136.2	107.9	113.0	108.7	118.6	100.6	114.0	83.6	110.5	111.4	90.0
1956: January	105.1	107.6	122.6	108.2	127.0	106.2	113.3	100.6	113.8	82.3	112.6	112.6	90.0
February	106.0	107.3	130.9	106.9	122.9	106.2	113.3	105.0	114.2	82.3	112.6	112.6	91.1
March	107.6	107.5	151.8	105.0	116.9	105.9	113.3	106.7	116.9	82.1	113.5	112.0	92.2
April	108.5	107.5	156.3	107.1	117.9	105.7	113.3	109.0	118.4	82.1	114.5	111.4	92.2
1955: April	109.1	109.0	154.3	106.1	121.8	110.1	125.8	102.3	119.9	84.2	112.6	111.3	90.0

17. Tokyo Wholesale Price Indices

(1952 of 100) (Bank of Japan)

Year & Month	Total Average	Agricultural Products	Other Foodstuffs	Textiles	Fuels	Metal & Machinery	Building Materials	Chemical Products	Sundries	By Uses: Producer's Goods	Capital Goods	Consumer's Goods
1955 Average	97.9	119.5	100.3	86.3	101.0	91.8	113.7	82.8	93.5	95.1	▲ 101.3	101.6
1955: December	97.9	115.6	98.0	84.8	104.7	96.6	111.9	▲ 84.1	92.9	96.1	103.5	100.3
1956: January	98.6	115.1	97.1	85.4	105.2	99.6	112.7	85.8	92.6	98.5	105.5	98.6
February	99.3	115.1	96.9	86.4	105.3	101.8	113.6	86.2	91.9	99.9	107.4	98.4
March	99.6	116.3	96.7	86.5	104.8	103.1	113.8	86.5	91.5	100.4	108.5	98.5
1955: March	99.1	121.0	101.6	88.2	103.1	91.8	117.8	82.2	93.5	96.0	102.5	103.3

18. Tokyo Wholesale Price Indices

(1934–36=100) (Bank of Japan)

Year & Month	Average	Staples	Other Foodstuffs	Textiles	Fuel	Metals & Machinery	Building Materials	Chemical Products	Miscellaneous
1954 Average	34,929.6	34,794.9	32,807.0	37,446.9	31,031.0	32,259.6	43,844.6	25,980.3	24,751.9
1955 „	▲ 34,293.1	▲ 34,729.5	31,967.5	35,551.3	▲ 32,356.2	▲ 33,240.5	40,424.0	▲ 25,208.6	24,600.6
1955: October	34,334.0	34,115.4	32,007.3	34,861.1	31,998.2	34,589.7	40,264.0	25,343.1	24,574.3
November	34,263.9	33,777.5	31,114.7	35,149.6	33,344.8	34,662.2	39,872.7	25,495.4	24,442.7
December	34,299.0	33,603.1	31,242.2	34,943.5	33,569.2	34,988.1	39,801.6	▲ 25,617.3	24,442.7
1956: January	34,539.6	33,457.7	31,019.0	35,190.8	33,727.1	36,074.7	40,086.2	26,135.1	24,363.8
February	34,789.5	33,457.7	30,891.5	▲ 35,602.8	33,761.6	36,871.6	40,406.3	26,257.0	24,179.6
March	34,894.6	33,806.5	30,827.8	35,644.1	33,601.3	37,342.4	40,477.4	26,348.3	24,024.4
1955: March	34,719.4	35,172.8	32,389.9	36,097.3	36,056.2	33,249.6	41,900.2	25,038.5	24,600.6

Note: △ Means excess of payments. ▲ Revised at source.

19. Tokyo Retail Price Indices

(July, 1914=100) (Bank of Japan)

Year & Month	Average	Food	Fuel & Lighting	Clothing	Others
1955: Average	49,305.9	61,191	60,189	32,757	42,009
1955: November	48,053.6	58,131	60,993	32,670	42,016
December	48,190.6	58,606	61,369	32,125	42,090
1956: January	47,865.6	57,775	61,732	32,125	42,098
February	48,140.4	58,323	61,282	32,010	42,393
March	48,883.2	60,005	60,821	31,963	42,622
April	48,945.0	60,171	60,405	31,595	42,906
1955: April	50,310.4	63,480	59,768	32,714	42,316

20. Commodity Quotations & Turnovers

Tokyo Cotton Yarn (20, single, per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: September	197.0	189.1	197.0	185.4	176.0	177.0	48
October	206.0	182.0	191.0	175.1	163.6	166.4	110
November	199.9	190.1	199.9	177.5	165.1	174.1	82
December	194.5	179.6	179.6	177.4	165.0	165.5	74
1956: January	185.0	176.0	185.0	176.9	162.9	174.0	77
February	192.4	184.1	186.0	179.9	172.5	175.2	78
March	198.1	185.8	195.5	184.9	172.0	184.9	91
April	217.0	192.8	217.0	205.2	181.3	205.2	77

Osaka Cotton Yarn (20, single, per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: September	197.5	188.9	197.5	184.5	173.5	175.9	290
October	197.5	179.5	195.0	172.9	162.0	164.3	629
November	198.0	190.0	198.0	175.6	163.1	173.1	526
December	191.0	185.9	186.7	176.4	161.9	165.5	385
1956: January	194.0	175.1	194.0	173.7	155.9	173.6	569
February	194.5	185.6	194.5	177.9	172.0	174.5	605
March	208.6	186.9	199.9	184.9	172.0	184.0	691
April	210.0	192.9	210.0	204.9	182.1	204.9	746

Tokyo Rayon Yarn (Viscose 120 D. per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 Months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: September	196.4	189.5	196.4	193.1	185.8	186.7	116
October	200.9	186.0	200.9	185.0	175.2	181.6	200
November	219.0	196.5	219.0	196.0	181.2	194.0	208
December	229.8	208.9	221.0	207.9	189.0	207.9	355
1956: January	255.0	229.6	236.7	214.0	199.9	201.9	455
February	231.9	215.9	215.6	207.5	193.5	193.5	362
March	246.1	208.9	243.7	213.1	191.5	213.1	426
April	260.1	227.1	260.0	227.0	206.0	227.0	635

Fukui Rayon Yarn (Viscose 120 D. per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 Months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: September	195.0	189.0	195.0	192.3	186.5	187.6	88
October	194.4	184.7	193.0	186.4	175.7	181.9	160
November	196.8	191.0	196.8	192.1	180.7	191.0	125
December	217.1	196.6	216.4	204.6	186.9	204.6	277
1956: January	245.4	221.1	224.9	205.0	207.9	194.4	403
February	226.6	211.0	212.5	201.7	190.2	190.2	281
March	240.0	207.0	240.0	207.0	188.3	207.0	390
April	255.0	221.4	255.0	220.7	198.0	220.2	635

Tokyo Spun Rayon Yarn (30s bright, per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 Months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: September	150.0	131.0	150.0	129.0	124.5	129.0	2
October	139.0	137.5	139.0	—	—	—	0
November	138.0	138.0	138.0	—	—	—	—
December	—	—	—	—	—	—	—
1956: January	147.9	145.9	147.9	132.5	130.4	132.5	0.2
February	—	—	—	—	—	—	—
March	—	—	—	—	—	—	—
April	—	—	—	—	—	—	—

Osaka Spun Rayon Yarn (30s bright, per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: September	137.5	126.2	137.5	129.5	121.0	125.2	14
October	150.0	127.5	150.0	126.0	111.1	124.1	21
November	157.5	143.3	156.0	137.0	123.9	133.2	30
December	150.5	145.0	148.0	133.0	125.5	132.7	19
1956: January	156.0	146.1	154.9	135.0	125.1	133.9	22
February	148.9	135.8	135.8	135.1	127.0	130.0	14
March	138.1	136.0	137.5	134.3	127.9	134.3	9
April	160.0	141.5	160.0	153.0	135.2	153.0	17

Yokohama Raw Silk (20/22 A, per *kin*)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *hyo*)
1955: September	2,119	2,041	2,041	2,129	2,077	2,077	41
October	2,046	1,921	1,931	2,079	2,017	2,046	60
November	1,994	1,921	1,921	2,040	1,981	1,990	46
December	1,960	1,920	1,930	2,009	1,970	1,991	48
1956: January	1,969	1,904	1,904	1,980	1,944	1,944	34
February	1,924	1,900	1,900	1,958	1,932	1,944	35
March	1,919	1,894	1,896	1,970	1,942	1,964	31
April	2,013	1,911	1,992	2,079	1,968	2,079	61

Kobe Raw Silk (20/22 A, per *kin*)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *hyo*)
1955: September	2,122	2,059	2,060	2,125	2,075	2,077	18
October	2,053	1,935	1,935	2,079	2,016	2,044	28
November	2,000	1,925	1,936	2,039	1,986	1,991	19
December	1,971	1,926	1,931	2,017	1,980	1,996	24
1956: January	1,990	1,939	1,939	1,975	1,910	1,910	15
February	1,926	1,900	1,900	1,953	1,929	1,947	15
March	1,925	1,900	1,900	1,970	1,947	1,968	13
April	2,021	1,925	2,013	2,064	1,969	2,060	20

Toyohashi Cocoon (High grade, per 100 *momme*)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: September	393	361	361	415	388	392	68
October	375	344	353	395	372	384	92
November	369	354	354	383	327	374	68
December	387	350	387	391	365	384	77
1956: January	388	365	373	369	349	349	55
February	376	370	370	357	346	355	50
March	398	379	398	364	354	364	53
April	425	394	413	453	419	453	86

Nagoya Woollen Yarn (48, double, A grade, per lb.)

Year & Month	Current Month (In yen) High	Low	End of Month	Futures (6 months) (In yen) High	Low	End of Month	Turnover (In 100 *mai*)
1955: September	1,053	951	962	1,040	953	968	859
October	984	924	932	951	886	888	869
November	1,024	931	964	962	876	957	685
December	1,025	970	970	964	887	912	552
1956: January	1,004	967	1,000	924	871	916	499
February	1,030	988	1,030	929	900	919	568
March	1,019	954	1,014	929	892	929	432
April	1,045	979	1,045	1,085	923	1,085	858

Note: *mai*=cotton yarn··400 lbs., rayon yarn & spun rayon yarn··200 lbs., woollen yarn··100 lbs., cocoon··10 *kan* (1 *kan*=8,267 lbs.), rubber··250 lbs., *hyo*=raw silk,··99.2 lbs. *kin*=raw silk··160 *momme*.

21. Exports and Imports by Value and Indices

(1934–36=100 for indices)

Year & Month	Value (In $1,000)			Value (In million yen)			Export Indices			Import Indices			B/D
	Exports	Imports	Balance	Exports	Imports	Balance	Amount (A)	Per Unit (B)	Volume (A/B)	Amount (C)	Per Unit (D)	Volume (C/D)	
1954 Total	1,629,236	2,399,404	↔ 770,168	586,525	863,785	↔277,260	..	..	..	..	..	..	..
1955 Total	2,010,600	2,471,430	↔ 460,831	723,816	889,715	↔165,899	..	..	..	..	..	..	..
1955: August	175,985	206,848	↔ 30,863	63,355	74,465	↔11,111	224.7	376.6	59.7	254.2	321.8	79.0	117.0
September	176,246	180,389	↔ 4,142	63,449	64,940	↔ 1,491	255.0	382.7	58.8	220.9	319.7	69.1	119.7
October	188,903	203,597	↔ 12,694	68,005	72,575	↔ 4,570	242.7	371.6	65.3	248.8	315.4	78.9	117.8
November	168,303	221,988	↔ 55,685	60,589	80,636	↔20,047	214.9	379.0	56.7	274.0	312.6	87.7	121.3
December	249,180	233,344	15,835	89,705	84,004	5,701	318.1	377.8	84.2	286.8	314.9	91.1	120.0
1956: January	149,333	218,347	↔ 69,014	53,760	78,605	↔24,845	..	..	..	..	..	..	..
February	▲185,704	▲220,380	▲↔ 34,676	▲66,853	▲79,337	▲↔12,483	..	..	..	..	..	..	..
△March	223,747	252,936	↔ 29,189	80,549	91,057	↔10,508	..	..	..	..	..	..	..

22. Foreign Exchange Receipts and Payments by Month

(In 1,000 dollars)

Year & Month	Receipts			Payments			Balance
	Exports	Invisible	Total	Imports	Invisible	Total	
1951 Total	1,297,324	943,257	2,240,581	1,725,111	184,167	1,909,278	331,303
1952 Total	1,289,186	949,942	2,239,127	1,718,361	206,454	1,924,815	314,312
1953 Total	1,156,399	963,638	2,120,037	2,100,998	212,718	2,313,716	↔ 193,679
1954 Total	1,532,478	776,786	2,309,264	1,961,680	247,616	2,209,296	99,967
1955 Total	1,954,169	713,475	2,667,645	1,848,224	325,622	2,173,846	493,799
1955: September	190,646	67,038	257,685	149,220	26,506	175,727	81,958
October	178,748	61,616	240,401	142,043	29,690	171,734	€8,666
November	174,499	62,094	236,594	154,858	33,040	187,899	48,694
December	198,174	70,595	268,769	177,042	30,464	207,506	61,263
1956: January	181,083	57,257	238,341	179,511	29,301	208,812	29,528
February	192,413	61,802	254,216	177,770	32,577	210,348	43,868
March	192,327	64,405	256,733	173,529	32,957	206,487	50,246
1955: March	151,490	57,835	209,375	147,390	20,151	167,542	41,833

23. Exports and Imports by Settlement Area

(In 1,000 dollars)

Year & Month	Exports								Imports							
	Total	%	Sterling	%	Open Account	%	Dollar	%	Total	%	Sterling	%	Open Account	%	Dollar	%
1951 Total	1,297,324	100	562,547	43	432,650	33	302,127	24	1,725,111	100	429,080	25	316,426	18	979,605	57
1952 Total	1,289,186	100	596,519	46	296,980	23	395,687	31	1,718,361	100	532,489	31	230,887	13	954,985	56
1953 Total	1,156,399	100	313,963	27	361,042	31	481,392	42	2,100,998	100	617,204	29	464,621	22	1,019,170	49
1954 Total	1,532,478	100	507,726	33	538,581	35	486,044	32	1,961,680	100	351,947	18	480,078	24	1,129,634	58
1955 Total	1,954,169	100	728,744	37	466,340	24	757,921	39	1,848,224	100	532,405	29	442,826	24	871,208	47
1955: September	190,646	100	67,767	36	40,360	21	82,475	43	149,220	100	49,958	34	34,403	23	64,778	43
October	178,784	100	62,677	35	38,946	22	77,109	43	142,043	100	48,253	34	28,273	20	65,495	46
November	174,499	100	63,229	36	39,785	23	71,331	41	154,858	100	51,292	33	32,773	21	70,727	46
December	198,174	100	65,676	33	49,075	25	82,893	42	177,042	100	45,719	26	37,906	22	92,313	52
1956: January	181,083	100	66,583	37	37,454	21	76,112	42	179,511	100	47,090	26	37,530	21	93,907	53
February	192,413	100	73,227	38	43,196	22	74,715	39	177,770	100	55,201	31	37,050	21	83,890	47
March	192,327	100	77,977	41	32,353	17	80,841	42	173,529	100	58,096	34	33,125	19	80,381	46
1955: March	151,490	100	62,164	41	39,665	26	49,615	33	147,390	100	32,175	22	41,385	28	73,738	50

24. Indices for Industrial Activities

(1934–36=100)

Year & Month	Industrial Activities			Mining	Manufacturing									
	All	Public Works	Mining-Manufacturing		All	Food-stuff	Textiles	Printing & Binding	Chemicals	Rubber & Leather	Wood & Wood Products	Ceramics	Metals	Machinery
	(153)	(2)	(151)	(10)	(141)	(12)	(12)	(1)	(37)	(10)	(2)	(7)	(18)	(42)
1954 average	173.5	236.9	166.9	117.0	173.4	191.8	81.9	109.6	267.2	170.8	177.0	175.3	192.3	257.4
1955 ,,	187.8	254.7	180.7	117.2	189.4	206.6	85.9	125.1	317.4	177.7	186.6	175.7	218.9	249.9
1955: August	189.2	230.8	182.7	113.7	192.1	205.7	87.4	126.6	330.2	171.8	183.2	177.7	220.2	250.1
September	193.3	240.0	186.5	119.4	195.7	194.4	90.7	127.3	339.2	192.7	188.8	188.0	223.5	251.8
October	194.3	266.4	186.9	124.0	195.6	204.8	87.3	131.6	323.0	198.3	189.3	188.4	230.5	264.9
November	198.0	270.5	190.5	126.1	199.2	214.9	91.8	129.1	319.5	193.9	188.9	191.9	234.0	275.2
December	206.0	290.5	198.0	128.2	207.5	234.8	91.1	127.6	349.7	197.6	197.7	192.4	238.9	285.9
1956: January	189.6	288.8	181.7	121.1	189.9	197.2	85.2	119.2	322.3	171.7	185.8	174,8	227.3	254.3
February	▲198.5	274.3	▲190.9	▲126.8	▲199.8	▲198.9	90.7	▲121.7	▲331.9	▲188.5	▲191.0	▲191.5	▲234.6	▲284.6
△March	204.2	304.8	196.0	105.7	208.2	199.3	90.0	137.1	346.6	195.1	191.0	208.8	251.2	301.8

Note: △ Provisional figures. ▲ Revised at source. In Table 24, figures in parentheses mean items represented.

Source: Table 21, Finance Ministry for value and Economic Planning Board, for indices; Table 22 & 23 Foreign Exchange Control Dept., Bank of Japan; Table 24, Economic Planning Board.

25. Coal Supply & Demand

(1,000 metric tons)

Year & Month	Carry-overs (A)	Coal Output (B)	Deliveries			Losses (D)	Month-end Stocks			
			Total (C)	To Industries (Classifiable)	To Industries (Unclassifiable)		Total (A+B)-(C+D)	At Collieries	At Port	At Market
1955: August	3,722	3,316	3,515	3,597	(↔) 82	4.6	3,527	1,062	1,120	1,346
September	3,527	3,549	4,025	3,990	35	24.8	3,075	967	952	1,156
October	3,076	3,736	3,705	3,859	(↔) 154	10.1	3,117	920	1,005	1,192
November	3,117	3,866	4,194	4,210	(↔) 16	9.0	2,797	795	856	1,146
December	2,797	3,903	4,196	4,305	(↔) 109	8.9	2,512	618	875	1,037
1956: January	2,512	3,732	3,830	3,910	(↔) 81	(↔) 9.0	2,405	661	827	917

26. Electric Energy Consumption (1,000 KWH)

Supplied by Power Companies (Over 500 kw)					Industries	Self-generated				
1955			1956			1955				1956
October	November	December	January	February		September	October	November	December	January
217,754	220,188	231,231	222,025	218,809	Mining	47,458	54,297	49,442	55,660	50,246
26,964	29,358	29,624	25,542	25,519	Foodstuffs	418	1,371	2,473	2,156	2,142
115,413	144,133	153,881	149,676	148,320	Spinning	814	638	1,019	980	935
185,205	182,253	186,584	179,291	181,072	Paper & Pulp	66,012	68,812	70,620	75,058	69,274
738,524	643,721	583,860	575,547	473,587	Chemicals	207,624	209,237	223,298	206,613	184,830
12,493	13,096	13,143	12,099	11,888	Oil & Coal Products	1,924	2,199	2,141	2,243	2,556
16,120	16,154	16,473	16,249	17,302	Rubber Goods	—	—	—	—	—
42,253	43,826	43,272	43,301	43,040	Glass & Ceramics	107,781	107,436	166,296	90,748	73,037
473,934	434,918	404,394	385,797	373,103	Primary Metals	195,255	225,283	226,043	321,232	201,107
7,209	7,294	7,336	7,212	8,087	Metal Products	—	—	—	—	—
28,233	29,207	31,241	29,770	31,879	Machinery	148	303	179	118	85
42,400	44,792	44,138	42,135	39,406	Electric Machinery & Tools	—	—	—	—	—
58,358	59,371	62,689	60,378	65,906	Transportation Machinery & Tools	—	—	—	—	—
..	8,524	..	8,767	9,526	Other Manufacturing	—	—	—	—	—
1,975,793	1,656,647	1,585,719	1,535,764	1,428,635	Manufacturing Total	580,076	696,199	632,069	559,148	533,966
248,729	256,077	270,658	275,365	261,667	Public Utilities	92,157	54,508	195	880	217
96,701	100,691	101,207	100,740	102,276	Others	—	—	—	—	—
2,330,888	2,233,602	2,188,815	2,133,894	2,011,387	Total	719,691	750,687	681,706	655,688	584,429

27. Supply & Demand of Raw Silk

(In bales=123 lbs.)

Year & Month	Raw Silk						Silk Fabrics	
	Production	Exports	Domestic Deliveries	Stocks at Month-end	U.S. Consumption		Production	Exports
					Consumption	Stocks at Month-end		
1955: August	30,563	9,404	18,855	15,235	4,321	4,954	15,842	2,358
September	30,221	10,934	19,720	14,802	4,899	6,158	15,976	2,425
October	29,009	9,804	17,496	16,511	5,064	7,519	15,036	2,548
November	27,711	8,951	17,906	17,360	5,446	8,234	15,158	2,180
December	28,059	9,436	18,895	17,064	5,439	8,651	15,012	4,611
1956: January	20,556	4,820	13,409	19,094	5,970	11,170	▲13,368	..
February	24,464	7,421	15,906	18,311	3,965	9,719	13,260	..
1956: January–February	45,020	12,241	29,315	—	9,935	—	26,628	2,196
1955: January–February	37,431	11,014	27,581	—	9,147	—	30,368	1,755

28. Supply & Demand of Paper and Pulp

Year & Month	Pulp (long ton)				Paper, Western Style (in 1,000 pounds)				Cardboard & Japanese Style Paper (in 1,000 pounds)			
	Production	For Paper	Deliveries	In Stock	Production	Deliveries	Self-Consumption	In Stock	Production	Deliveries	Self-Consumption	In Stock
1955: Sept.	161,806	87,449	75,448	26,318	268,230	253,885	7,779	137,122	419,981	402,847	19,789	200,421
Oct.	164,151	88,837	72,003	29,629	272,932	259,234	7,381	143,439	432,058	410,991	19,778	201,709
Nov.	167,115	89,634	77,115	29,995	268,174	254,154	7,618	149,841	429,645	407,208	18,953	205,194
Dec.	169,773	90,793	75,627	33,348	268,642	255,728	7,937	154,818	437,036	415,159	20,345	206,726
1956: Jan.	161,584	86,435	71,168	37,329	248,934	235,584	8,264	159,903	404,027	379,393	19,348	212,012
Feb.	164,793	87,568	78,225	36,329	256,378	243,458	9,775	163,048	424,668	402,905	21,672	212,103
1955: Feb.	138,249	74,701	68,237	40,613	224,439	228,103	6,119	97,153	360,005	355,777	16,659	147,636

29. Supply & Demand of Soda and Ammonium Sulphate

(In metric tons)

Year & Month	Ammonium Sulphate			Soda Ash			Caustic Soda		
	Production	Deliveries	In Stock	Production	Deliveries	In Stock	Production	Deliveries	In Stock
1955: August	161,467	152,543	103,499	28,488	26,004	5,198	43,537	37,882	7,452
September	177,718	160,363	114,236	27,138	25,286	5,449	44,360	37,011	8,172
October	175,501	168,144	114,049	29,368	28,192	4,930	47,842	39,161	9,537
November	178,376	134,232	152,901	29,235	27,285	5,349	46,024	38,823	9,592
December	173,329	185,706	136,027	29,879	31,072	2,742	47,033	41,659	7,766
1956: January	179,355	179,327	129,916	29,781	26,877	4,039	47,144	38,622	9,323
February	160,707	176,680	107,210	29,895	28,772	3,937	44,826	38,837	8,331
1955: February	152,150	151,689	64,293	25,785	25,016	4,458	36,320	32,201	10,710

Sources: 25. Natural Resources Agency. 26. Public Utilities Bureau. 27. Central Raw Silk Association. 28. MITI. 29. MITI

▲ Revised at source.

30. JPA Procurement Contracts (In $1,000)

	Contracts (Weekly total)			Cumulative total as from June 26, 1950		
	Total	Merchandise	Services	Total	Merchandise	Services
1951 Average	29,470	21,209	8,261	—	—	—
1952 ,,	25,552	15,495	10,057	—	—	—
1953 ,,	36,989	21,733	15,256	—	—	—
1954 ,,	21,291	10,244	11,047	—	—	—
1955 ,,	14,823	5,566	9,257	—	—	—
1955: October	21,674	4,063	17,611	1,689,197	990,087	699,110
November	8,338	5,009	3,329	1,697,161	994,949	702,212
December	9,491	4,192	5,299	1,706,591	999,045	707,546
1956: January	10,148	6,126	4,021	1,716,322	1,005,081	711,241
February	6,913	2,951	3,962	1,722,678	1,007,314	715,364

Source: Economic Planning Board.

31. JPA Procurement Payments (In $1,000)

	Monthly			Cumulative total as from June 26, 1950		
	Total	U.S.'s Burden	Japan's Burden	Total	U.S.'s Burden	Japan's Burden
1954 Total	453,674	268,679	184,995	—	—	—
1955 Total	355,664	233,875	121,789	—	—	—
1955: November	26,373	18,276	8,097	2,252,463	1,750,210	502,253
December	30,757	22,947	7,810	2,283,220	1,773,157	510,063
1956: January	24,022	17,278	6,744	2,307,242	1,790,435	516,807
1955: January	24,440	13,219	11,221	1,962,217	1,562,722	399,495

Source: American Embassy Economic Section.

32. Department Store Sales (In million yen)

	By Month	No. of Stores	Total	Clothing	Sundry Goods	Household Utensils	Provisions	Dining Room	Services	Outside Store Sales	Others	Gift Certificates
Total	1955: July	158	19,311	8,487	3,764	2,060	3,382	577	139	718	176	553
	August	158	14,238	5,132	3,019	1,455	3,243	595	126	490	179	357
	September	158	12,452	5,642	2,441	1,200	2,007	426	138	449	148	103
	October	158	17,367	8,832	3,038	1,654	2,467	470	193	536	177	141
	November	158	19,534	10,694	3,028	1,849	2,491	478	202	612	180	158
	December	158	41,017	20,914	6,904	3,537	7,437	600	258	1,066	303	1,151
	1956: January	158	14,577	6,577	2,998	1,467	2,432	461	144	352	146	179
	February	158	14,532	6,537	3,048	1,510	2,507	445	143	170	171	176
Big Six Cities	1955: July	50	14,450	6,187	2,858	1,567	2,548	395	107	668	121	395
	August	50	9,619	3,306	2,116	1,025	2,137	382	94	438	122	140
	September	50	9,054	4,047	1,806	901	1,384	290	106	414	106	57
	October	50	12,563	6,317	2,227	1,226	1,708	320	145	492	128	86
	November	50	14,153	7,660	2,199	1,382	1,740	324	154	563	132	102
	December	50	29,800	14,934	5,036	2,601	5,433	405	194	981	216	668
	1956: January	52	9,998	4,400	1,059	1,073	1,645	289	110	322	100	98
	February	52	10,383	4,569	2,228	1,154	1,754	291	108	150	128	106
Provincial	1955: July	108	4,860	2,300	906	493	841	182	32	50	55	158
	August	108	4,619	1,825	903	429	1,107	213	33	52	57	140
	September	108	3,397	1,595	635	299	624	136	32	35	42	46
	October	108	4,804	2,515	811	428	759	149	48	44	49	54
	November	108	5,381	3,034	828	467	751	154	48	50	48	57
	December	108	11,217	5,980	1,868	936	2,003	194	65	84	87	483
	1956: January	106	4,578	2,176	934	394	787	172	35	30	46	81
	February	106	4,750	1,968	820	356	753	154	35	19	44	71

Source: Ministry of International Trade & Industry.

33. Labor Population Survey (In 1,000)

Year & Month	Total (1) Population	Population 14 years old and over						Agriculture & Forestry		Non-Agricultural Industry	
		Total (2)	Labor Force				Not in Labor Force	Not at Work (3)	At Piece-Work (4)	Not at Work (3)	At Piece-Work (4)
			Total of the following three columns	Agriculture & Forestry	Non-Agricultural Industries	Totally Unemployed					
1953 Average	86,780	58,310	39,700	17,130	22,120	450	18,620	260	6,270	300	3,360
1954 ,,	88,030	59,280	40,510	16,670	22,910	580	19,080	250	5,790	310	3,360
1955 ,,	89,110	60,920	41,800	—	—	—	19,840	—	—	—	—
1955: November	89,400	61,410	43,180	17,560	25,050	570	18,130	160	5,750	250	3,440
December	89,500	61,350	41,410	15,070	25,770	570	19,840	230	7,210	270	3,640
1956: January	89,630	62,050	39,530	13,560	25,290	680	22,430	270	7,140	330	4,140
February	89,750	62,190	38,830	13,480	25,350	750	22,530	310	8,280	310	4,270
March	—	62,320	41,910	15,430	25,420	1,060	20,310	—	—	—	—
1955: March	89,800	60,840	40,680	16,100	23,740	840	20,030	—	—	—	—

Notes: (1) Since August, 1950, total population is the estimated total population as of the 1st of next month.
(2) Including persons whose labor force status was unknown.
(3) Among the persons holding jobs but not at work during the survey week, the following are defined as not at work: self-employed workers are not at work provided that their employees or unpaid family workers are engaged in their business during the survey week; employees are not at work provided that either they received or are expected to receive payment.
(4) Those whose working hours total only 1~34 hours in a week.

Source: Bureau of Statistics, Office of the Prime Minister.

34. Spot Quotations on Tokyo Securities Exchange

Names of Shares	Authorized (Paid-up) Capital In million yen	Dividends	1956 April High	1956 April Low	1956 May 15
Transportation		%	¥	¥	¥
Iino Kaiun	6,600	—	67	56	70
Mitsubishi Shipping	2,400	—	89	69	92
Mitsui Steamship	5,400	—	59	49	62
Nippon Express	7,200	16	223	211	215
Nitto Shosen	4,000	—	73	60	71
N.Y.K.	7,600	—	78	65	77
O.S.K.	7,600	—	55	48	55
Tobu Railway	800	13	151	150	150
Tokyo El. Express Railway	1,500	15	143	137	140
Mining & Oil					
Dowa Mining	1,000	20	197	178	187
Furukawa Mining	1,352	—	115	95	112
Maruzen Oil	2,625	20	139	124	131
Mitsui Mining & Smelting	2,400	18	125	113	115
Mitsubishi Mining	1,800	—	78	62	84
Mitsubishi Metal Mining	2,100	15	158	143	143
Mitsubishi Oil	2,400	20	148	139	135
Mitsui Mining	1,200	—	72	62	69
Nihon Mining	4,200	15	94	87	90
Nippon Oil	4,500	20	108	103	104
Showa Oil	1,700	20	154	139	135
Sumitomo Coal Mining	600	—	90	68	93
Sumitomo Metal Mining	1,950	15	115	104	106
Teikoku Oil	2,000	15	110	88	96
Toa Nenryo Kogyo	3,159	25	157	148	149
Ube Industries	4,200	20	138	122	130
Shipbuilding & Machinery					
Canon Camera	400	25	195	175	180
Ebara Mfg.	400	20	190	176	180
Fuji Electric	1,500	18	121	88	103
Furukawa Electric	3,000	12	85	78	84
Hitachi, Ltd.	6,600	15	108	89	102
Ishikawajima Heavy Ind.	1,300	12	124	110	118
Isuzu Motor	2,000	16	107	95	99
Japan Precision Ind.	400	20	180	163	168
Koyo Seiko	400	15	114	107	107
Mitsubishi Elec. Mfg.	3,600	18	99	84	89
Mitsubishi Heavy Ind., Reorg.	5,600	12	117	100	107
Mitsubishi Japan Heavy Ind.	3,000	12	67	62	72
Mitsubishi Shipbldg. & Eng.	2,800	12	120	106	120
Mitsui Shipbldg. & Eng.	1,120	16	170	142	161
Nippon Electric	1,000	15	135	123	134
Nippon Kogaku	310	15	183	143	162
Nissan Motor	2,100	20	125	112	127
Tokyo Shibaura Electric	6,392	12	87	73	77
Toyo Bearing Mfg.	400	20	160	143	144
Steel & Metal					
Fuji Iron & Steel	8,400	12	69	66	71
Kawasaki Steel	4,000	—	63	57	69
Kobe Steel Works	3,600	12	70	63	70
Nippon Light Metal	2,722	10	174	159	158
Nippon Kokan Ind.	10,000	15	75	71	76
Sumitomo Metal Ind.	5,000	10	68	61	68
Yawata Iron & Steel	9,600	12	72	68	73
Textiles					
Asahi Chemical	(B) 3,675	25	350	324	338
Chuo Textile	500	10	57	53	57
Dai Nippon Spinning	5,250	18	110	101	103
Daito Woollen Spinning	1,500	20	106	100	103
Fuji Spinning	2,000	20	150	139	140
Japan Wool Textile	2,560	30	163	155	158
Kanegafuchi Spinning	1,780	20	184	168	180
Kokoku Rayon	3,000	10	79	73	73
Kokusaku Pulp	1,200	20	154	145	146
Kurashiki Rayon	1,500	15	163	148	148
Kurashiki Spinning	2,000	20	141	130	132
Mitsubishi Rayon	1,500	20	189	156	169
Nippon Pulp Ind.	1,600	20	128	120	121
Nisshin Cotton Spinning	1,040	30	316	279	292
Nitto Spinning	1,350	15	103	93	90
Ohmi Kenshi Spinning	1,000	10	93	82	83
Sanyo Pulp	2,175	20	174	164	169
Teikoku Rayon	3,200	20	200	179	188
Toho Rayon	1,500	20	154	131	135
Tohoku Pulp	1,560	20	158	147	149
Toyo Rayon	3,000	20	295	253	285
Toyo Spinning	4,300	22	220	206	213

Names of Shares	Authorized (Paid-up) Capital In million yen	Dividends	1956 April High	1956 April Low	1956 May 15
Food & Fishery		%	¥	¥	¥
Ajinomoto	2,296	30	249	222	223
Asahi Breweries	1,460	20	207	188	196
Dainippon Sugar Mfg.	720	25	153	142	152
Honen Oil	600	20	163	155	158
Japan Beet Sugar Mfg.	675	20	130	116	120
Japan Distilling	1,100	20	95	86	93
Kirin Brewery	1,230	22	235	221	227
Meiji Confectionery	840	25	157	149	151
Meiji Sugar Mfg.	500	30	153	138	142
Morinaga Confectionery	750	26	210	183	192
Nippon Breweries	1,460	20	184	172	175
Nippon Cold Storage	1,600	20	130	119	120
Nippon Flour Mills	720	20	131	125	132
Nippon Suisan	2,800	15	100	96	98
Nisshin Flour Milling	1,000	20	128	124	127
Nissin Oil Mils	500	25	152	140	146
Noda Soy Sauce	800	30	229	201	208
Taito	200	45	276	248	254
Takara Shuzo	2,618	20	118	109	115
Toyo Seito	333	30	148	129	129
Chemicals					
Dainippon Celluloid	1,000	15	168	131	151
Electro-Chemical	1,020	20	196	163	189
Kansai Paint	400	20	127	120	123
Kyowa Fermentation Ind.	1,166	20	141	128	129
Mitsubishi Chem. Ind.	2,884	10	160	130	145
Mitsui Chemical Ind.	1,600	20	150	125	140
New Japan Nitro-Fertilizer	1,200	15	136	107	121
Nippon Chem. & Medicine	500	20	164	150	151
Nippon Soda	1,160	15	149	130	144
Nissan Chemical Ind.	2,000	15	94	83	80
Nitto Chem. Ind.	2,120	15	115	106	115
Sankyo	520	25	194	180	182
Shin-etsu Chemical Ind.	480	15	148	134	138
Showa Denko	2,200	15	173	138	156
Sumitomo Chemical	4,000	20	140	115	127
Toa Gosei Chemical Ind.	1,200	20	208	171	191
Toyo Koatsu Ind.	1,800	20	227	185	212
Toyo Soda	1,000	15	113	103	110
Miscellaneous					
Asahi Glass	3,100	20	217	199	200
Fuji Photo Film	2,000	20	193	163	170
Konishiroku Photo Industry	1,200	20	133	113	126
Nippon Musical Instruments	300	25	230	210	200
Nippon Sheet Glass	1,200	20	175	161	160
Toyo Seikan	(A) 400	20	1,820	1,780	—
Tokyo Rope	440	10	166	155	147
Yokohama Rubber	897	10	158	142	150
Paper & Printing					
Hokuetsu Paper Mills	900	10	74	67	65
Honshu Paper	2,000	8	87	82	80
Jujo Paper	1,120	30	285	267	250
Mitsubishi Paper Mills	900	15	103	95	80
Oji Paper	1,600	25	248	232	230
Toppan Printing	300	23	195	179	185
Lumber & Ceramics					
Iwaki Cement	1,000	40	209	196	206
Nihon Cement	2,500	24	167	151	153
Nippon Gaishi	350	25	240	213	228
Nippon Toki	350	25	220	207	216
Onoda Cement	5,120	16	94	89	93
Land, Warehouse & Trade					
Heiwa Real Estate	1,260	10	333	232	293
Mitsui Bussan	878	20	173	156	163
Mitsui Real Estate	200	20	873	765	857
Mitsubishi Estate	2,064	18	264	192	221
Mitsubishi Shoji	2,500	16	175	158	154
Mitsubishi Warehouse	600	10	107	90	97
Dept. Stores & Amusements					
Mitsukoshi	1,860	23	369	292	330
Nikkatsu	3,287	10	68	58	60
Shochiku Motion Picture	1,320	25	245	215	227

Notes: (A) 500 yen shares. (B) 100 yen shares, others 50 yen.

35. Exports and Imports by Country

(In million yen)

Settlement Area	Countries	Exports				Imports			
		1954 Total	1955 Total	Jan. 1956	Feb. 1956	1954 Total	1955 Total	Jan. 1956	Feb. 1956
	Total Exports & Imports	586,562	723,816	53,921	66,853	863,785	889,715	78,680	79,337
	Asia Total	286,846	303,460	22,333	27,079	265,259	325,421	29,808	29,128
0	Korea	24,684	14,218	1,133	1,448	2,911	3,434	213	291
$	China	1,878	20,277	696	1,230	14,677	29,080	2,875	2,996
$	Ryukyu Islands	15,529	18,288	1,719	1,396	3,645	5,738	655	766
£	Hong Kong	27,815	31,702	3,179	5,084	1,426	2,221	271	301
0	Formosa	23,734	22,978	1,656	1,871	20,552	29,116	1,772	2,587
	Southeast Asia Total	161,444	203,270	15,130	19,116	165,301	189,834	15,198	15,521
0	Indo-China	4,654	13,245	1,557	1,841	5,233	1,982	185	193
0	Thailand	23,438	22,691	1,187	878	24,901	22,841	405	234
£	Malayan Union	3,360	4,852	263	472	20,326	33,416	2,071	2,253
£	Singapore	13,281	21,355	1,165	2,058	2,648	5,892	957	632
0	Philippines	11,229	18,651	1,357	1,311	24,166	32,023	2,798	2,877
£	British Borneo	179	377	35	8	6,986	7,707	891	949
0	Indonesia	43,097	23,297	2,785	2,598	21,682	29,219	3,282	2,990
£	Burma	16,413	13,786	564	770	22,713	16,477	140	1,437
£	India	15,788	30,503	1,832	2,671	18,562	27,823	3,378	2,632
£	Pakistan	20,160	15,839	977	867	13,028	16,951	1,663	1,837
£	Ceylon	6,226	7,353	255	566	950	989	48	135
$	Portuguese India	170	271	2	..	2,347	2,140	361	..
$	Afghanistan	2,734	1,993	163	..	1,325	878	40	..
$	Iran	8,446	8,072	554	244	7,722	7,920	659	278
£	Iraq	6,110	7,756	317	..	217	2,055	127	..
£	Aden	3,348	3,461	172	..	102	1,159	176	..
$	Saudi Arabia	999	2,372	97	202	39,916	35,169	3,752	3,857
£	Kuwait	1,682	2,265	128	..	3,887	5,914	610	..
0	Turkey	2,444	1,272	324	0	2,091	396	45	—
£	Jordan	562	637	33	..	50	356	..	..
$	Syria	1,355	2,502	80	..	222	1,425	94	..
$	Lebanon	458	434	25	..	146	37	..	..
	Europe Total	52,665	74,086	7,138	5,995	69,526	62,999	5,014	5,107
0	Sweden	3,031	4,815	865	286	3,268	1,712	100	256
$	Denmark	471	2,123	39	..	1,343	685	45	..
£	United Kingdom	18,405	21,876	3,368	2,763	13,358	13,650	1,512	1,387
0	Netherlands	7,855	9,627	459	424	4,227	4,129	335	434
$	Belgium & Luxemburg	2,896	3,736	2	..	4,955	3,248	..	..
0	France	4,189	4,182	368	468	7,400	5,507	592	251
0	West Germany	6,514	9,058	644	511	15,880	16,648	872	1,093
$	East Germany	880	1,145	231	..	1,897	1,858	107	..
$	Switzerland	1,708	2,259	109	..	3,925	4,573	295	..
$	Spain	564	1,235	97	..	4,783	4,242	691	..
0	Italy	1,940	2,846	247	337	6,295	4,717	73	111
$	Norway	420	542	32	..	150	98	..	..
0	Finland	551	1,419	27	..	815	474	25	..
$	Austria	282	818	89	..	324	320	19	..
	North America Total	125,456	191,536	12,415	15,378	396,858	367,588	33,041	33,533
$	Canada	7,576	16,254	1,331	1,731	44,117	39,175	2,577	2,636
$	U.S.A.	99,655	161,722	10,321	12,888	304,899	278,021	26,685	26,574
$	Mexico	10,363	2,656	95	79	33,219	30,230	2,279	3,417
$	Nicaragua	1,397	926	53	..	3,031	4,725	60	..
$	Cuba	1,092	1,747	81	104	8,739	9,906	1,372	357
$	Panama	554	2,166	45	..	909	323	6	..
$	Colombia	3,415	2,556	179	..	200	257	29	..
$	Ecuador	477	549	32	..	2,122	74	2	..
	South America Total	56,924	53,533	4,406	3,634	63,829	37,432	3,654	3,867
$	Peru	1,670	1,796	181	181	7,315	3,880	604	563
0	Brazil	28,155	12,032	875	1,520	26,580	21,340	2,204	1,924
0	Argentina	17,592	28,485	2,689	1,071	21,800	8,006	565	1,073
$	Chile	447	1,401	37	5	863	278	144	22
$	Uruguay	892	742	100	..	794	2,341	..	..
	Africa Total	49,857	74,009	6,445	12,417	18,462	22,664	1,978	2,487
0	Egypt	2,312	5,124	171	492	10,086	10,643	595	1,178
£	Nigeria & Gold Coast	15,305	22,034	1,434	1,873	111	62	—	—
$	Liberia	9,055	19,060	2,995	7,950	87	19	0	0
$	Belgian Congo	4,249	1,226	82	77	25	45	3	5
£	British Congo	1,247	7,248	..	..	2,173	2,610	..	..
£	Union of South Africa	10,885	10,382	883	1,120	3,807	6,295	782	803
	Australia & Oceania Total	14,794	27,181	1,181	1,522	49,769	73,569	7,185	5,214
£	Australia	10,155	19,842	833	1,133	42,160	63,974	6,668	4,949
£	New Zealand	941	2,833	128	45	1,612	2,419	43	105
$	Hawaii	2,092	2,478	114	174	638	365	6	8
£	New Caledonia	105	230	..	..	1,217	2,483	252	..
0	French Oceania	74	74	2	..	1,425	1,513	132	..
$	Guam	405	210	32	..	727	712	6	..

Source: Finance Ministry.

Note: 0 denotes open account area; $, dollar area; £, sterling area.

36. Exports by Major Articles

(In million yen)

Articles	Unit	1955		1956			
		Aggregate		January		February	
		Volume	Value	Volume	Value	Volume	Value
Food, Beverage & Tobacco	—	—	47,793	—	5,641	—	5,497
Fish & Shellfish	m.t.	155,108	27,226	14,208	3,434	15,614	3,660
Canned, Bottled Fish	,,	62,206	16,446	7,362	2,660	8,863	2,865
Cereals	—	—	1,287	—	99	—	90
Fresh & Frozen Fruit	m.t.	116,516	9,276	13,723	1,390	11,861	1,134
Sugar & Its Products	m.t.	34,039	1,434	145	25	1,269	71
Tea	1,000 lbs.	31,954	3,510	2,362	201	938	90
Beer	kl.	6,339	507	—	—	—	—
Tobacco	—	—	471	—	27	—	20
Raw Materials	—	—	35,285	—	1,990	—	2,563
Lumber	cu.m.	442,008	10,438	32,483	639	39,151	682
Textile, Fibre	1,000 lbs.	69,061	20,821	3,675	1,051	4,977	1,509
Raw Silk	bales	86,712	18,005	4,330	864	6,127	1,206
Fertilizers & Mineral Products	—	—	252	—	11	—	10
Animal & Vegetable Materials	—	—	2,257	—	211	—	174
Coal & Petroleum	—	—	2,546	—	438	—	404
Animal & Vegetable Oils	—	—	6,381	—	148	—	1,376
Animal Oil	m.t.	—	5,448	—	105	—	1,216
Cod-liver Oil	,,	6,729	2,155	426	98	608	132
Vegetable Oil	,,	8,036	916	275	40	1,365	153
Chemicals, Drugs	—	—	33,751	—	2,385	—	2,825
Pharmaceuticals	—	—	2,997	—	162	—	188
Chemical Fertilizers	m.t.	762,875	15,010	54,453	1,070	74,362	1,627
Manufactured Products by Material	—	—	414,867	—	29,313	—	33,524
Rubber Goods	—	—	4,359	—	420	—	524
Tyres & Inner Tubes	m.t.	9,281	3,345	881	355	1,084	421
Wood & Cork Products	—	—	15,763	—	975	—	940
Paper & Related Products	m.t.	82,096	6,627	3,143	339	5,200	529
Textiles	—	—	210,588	—	15,724	—	19,386
Woollen Yarn	1,000 lbs.	7,877	6,263	475	365	548	453
Cotton Yarn	,,	26,226	8,756	2,432	849	3,589	1,168
Rayon Yarn	,,	18,046	3,231	1,623	292	851	146
Spun Rayon Yarn	,,	39,224	5,897	1,941	313	2,372	377
Cotton Fabrics	1,000 sq. yds.	1,139	82,757	100,449	7,350	119,167	8,739
Silk Fabrics	,,	30,022	5,622	2,277	413	2,789	510
Woollen Fabrics	,,	17,751	10,003	960	518	1,216	622
Artificial Fibre Fabrics	,,	895,631	55,686	59,968	3,928	82,989	5,509
Non-Metallic Minerals	—	—	30,625	—	2,308	—	2,494
Cement	m.t.	1,206,244	8,098	111,478	699	115,908	746
Glass Products	—	—	4,634	—	281	—	382
Chinaware	—	—	15,106	—	1,057	—	1,123
Precious Metals & Gems	—	—	7,846	—	543	—	804
Cultured Pearls	kg.	18,223	3,633	2,201	262	1,956	439
Base Metals & Products	—	—	117,096	—	7,669	—	304
Iron & Steel	m.t.	1,988,521	93,418	121,573	6,481	93,808	5,745
Steel Bars & Shapes	,,	356,875	11,401	33,886	1,243	20,267	740
Steel Plates (ungalvanized)	,,	344,719	16,801	21,279	1,300	13,173	865
Copper	,,	41,184	13,257	745	316	1,157	483
Nickel	,,	2,213	2,261	160	229	261	277
Aluminium	,,	24,883	5,033	942	224	756	198
Metal Products	—	—	21,845	—	1,318	—	1,696
Machinery & Transportation Equipment	—	—	88,835	—	7,882	—	13,339
Machinery (excl. electric machines)	—	—	34,848	—	2,319	—	2,663
Prime Movers	—	—	—	—	—	—	—
Metal Processing Machines	—	—	74	—	35	—	56
Textile Machines & Parts	—	—	702	—	778	—	862
Sewing Machines & Parts	—	—	1,462	—	705	—	1,120
Electric Machines	—	—	1,247	—	773	—	984
Gen. Motors, Trans. & Alternators	unit	—	143	—	89	—	76
Electric Bulbs	1,000 pcs.	11,456	104	7,976	65	16,441	116
Transportation Equipment	—	—	8,032	—	4,790	—	9,692
Railway Rolling Stock	—	—	1,530	—	448	—	1,012
Automobiles	—	—	1,091	—	193	—	236
Bicycles & Parts	m.t.	—	378	164	193	—	246
Ships	unit	30	5,032	—	3,956	33	8,193
Miscellaneous	—	—	10,873	—	5,726	—	6,901
Camera	—	20,922	172	18,586	115	22,832	141
Toys	m.t.	5,457	1,652	3,025	892	3,595	1,174
Total Exports (incl. others)	—	—	723,816	—	53,921	—	66,853

Note: Figures of group total include others than represented. Figures for value are rounded under one thousand.
Source: Customs Division, Tax Bureau, Ministry of Finance.

37. Imports by Major Articles

(In million yen)

Articles	Unit	1955 Aggregate Volume	1955 Aggregate Value	1956 January Volume	1956 January Value	1956 February Volume	1956 February Value
Food, Beverage & Tobacco	—	—	220,038	—	14,519	—	15,730
Cereals (rice, wheat & barley, etc.)	m.t.	—	158,437	267,208	8,507	300	9,278
Fruit & Vegetables	,,	149,625	7,191	7,658	374	7,792	356
Sugar	,,	1,243,131	43,692	124,589	4,660	145,907	5,555
Coffee	1000. lbs.	9,058	2,044	1,166	241	1,143	253
Spirits	l.	—	274	—	15	—	14
Raw Materials	—	—	441,281	—	40,826	—	39,934
Hides & Skins	m.t.	61,763	8,055	6,218	869	5,029	695
Cow Hide	,,	47,041	5,214	5,013	583	3,978	451
Box Calf	,,	8,000	2,008	790	215	630	187
Oil Seeds	,,	1,135	52,928	129,378	5,312	132,729	5,487
Peanuts	,,	14,554	1,238	50	5	180	17
Copra	,,	50,736	3,829	1,877	140	2,734	213
Soy-beans	,,	808,177	35,368	104,886	4,086	112,744	4,393
Rubber	,,	109,057	26,905	9,884	2,690	8,064	2,142
Crude Rubber	,,	87,669	23,852	7,329	2,256	6,086	1,841
Latex	,,	7,160	1,522	677	169	439	107
Synthetic Rubber	,,	5,199	1,374	817	241	571	174
Lumber & Cork	c.m.	—	22,909	—	1,974	—	1,839
Lumber	,,	2,051,859	22,243	180,198	1,897	169,129	1,759
Cork	m.t.	6,568	616	631	75	619	75
Pulp & Scrap Paper	—	—	6,849	—	688	—	439
Fibres & Textiles	1,000 lbs.	1,498,630	210,799	145,475	19,074	149,213	18,703
Silk (incl. cocoons)	1,000 lbs.	1,904	407	114	3	175	43
Wool	,,	214,191	63,376	23,276	6,122	20,817	15,315
Cotton	,,	972,061	130,318	104,819	12,156	106,586	12,475
Cotton Linter	,,	30,754	773	4,415	96	4,154	90
Waste Cotton	,,	87,211	6,920	6,841	484	5,507	386
Hard & Bast Fibres	,,	117,856	7,823	15,998	632	20,631	759
Jute	,,	69,843	2,604	4,558	133	9,619	287
Flax	,,	5,554	608	286	23	201	11
Sisal Hemp	,,	27,212	937	3,959	139	2,723	102
Manila Hemp	,,	71,196	3,324	5,205	265	6,070	298
Fertilizers & Non-metallic Minerals	m.t.	—	36,975	—	2,351	—	2,243
Fertilizers	,,	2,369,295	23,959	104,308	1,031	117,870	987
Salt	,,	2,025,019	7,775	177,064	850	139,202	674
Asbestos	,,	20,400	1,436	2,407	172	3,237	228
Magnesite	,,	53,486	923	6,251	104	3,900	62
Metals & Ores	m.t.	7,784,569	66,867	709,520	7,374	663,702	7,789
Iron Ore	,,	5,459,458	29,354	468,531	2,960	464,299	3,127
Scrap Iron	,,	1,286,959	22,951	114,519	2,429	143,665	3,192
Non-ferrous Metals	,,	1,021,375	12,063	120,359	1,620	53,227	815
Nickel	,,	44,196	2,150	7,259	378	3,000	176
Aluminium	,,	307,530	2,435	35,298	262	14,151	138
Manganese	—	343,312	1,513	45,701	219	16,949	126
Animal Materials	—	—	3,039	—	249	—	222
Vegetable Materials		—	5,948	—	244	—	374
Coal & Petroleum	—	—	104,040	—	10,957	—	10,582
Coal	m.t.	2,861,923	20,237	339,031	2,570	282,702	2,337
Anthracite	,,	267,398	1,732	26,637	193	12,488	84
Bituminous (for coking)	,,	2,575,281	18,437	13,400	59	12,890	76
Petroleum	k.l.	12,114,718	81,563	1,159	8,200	1,073	8,045
Crude & Unrefined	,,	8,501,530	53,507	851,352	5,756	804,302	5,686
Gasoline	,,	348,347	4,620	16,273	247	17,297	335
Kerosene & Gas Oil	,,	222,681	2,225,912	15,578	148	4,766	45
Fuel Oil	,,	3,004,426	19,763,472	266,308	1,866	240,503	1,850
Lubricants (excl. grease)	,,	29,789	1,324	2,681	113	1,801	97
Petroleum Coke	m.t.	125,959	1,285	16,199	157	15,922	164
Animal & Vegetable Oils	—	—	13,118	—	720	—	841
Animal Fats & Oils	m.t.	117,680	9,173	5,750	468	5,266	432
Vegetable Oils	,,	37,536	3,695	2,063	223	3,732	388
Chemicals, Drugs	—	—	28,874	—	3,003	—	3,602
Manufactured Products by Material	—	—	21,052	—	2,757	—	2,277
Hides, Leathers & Furs	m.t.	—	964	—	99	—	14
Rubber Goods	—	—	230	—	51	—	35
Paper & Related Products	m.t.	1,456	229	61	25	166	31
Yarns & Fabrics	—	—	3,213	—	423	—	314
Base Metals	m.t.	—	1,337	—	124	—	98
Iron & Steel	,,	82,183	3,647	26,271	913	10,530	512
Tin	,,	5,823	4,391	597	485	822	676
Machinery & Transportation Equipment	—	—	47,665	—	4,295	—	4,406
Machinery (excl. electric machines)	—	—	33,258	—	2,991	—	3,201
Electric Machines	—	—	6,267	—	638	—	613
Transportation Equipment	—	—	8,140	—	666	—	592
Miscellaneous	—	—	7,895	—	703	—	769
Total Imports (incl. others)	—	—	889,715	—	78,680	—	79,337

Note: Figures of group total include other items not represented above. Figures for value under one thousand are rounded.
Source: Customs Division, Tax Bureau, Ministry of Finance.

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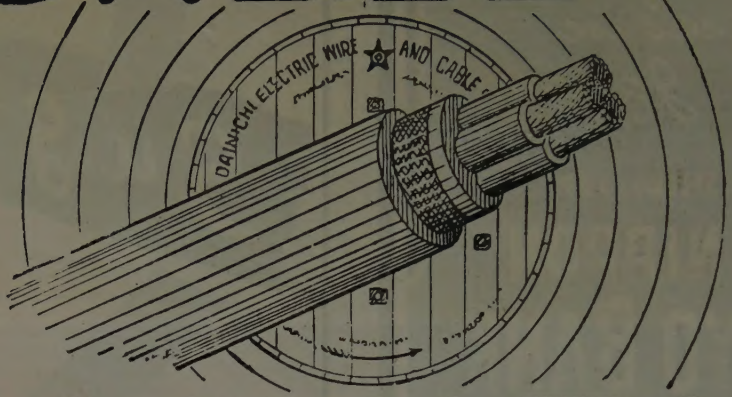

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